

A - General Government

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Summary Totals

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)	31,800,100	31,800,100		35,291,000	35,291,000		36,234,600	36,234,600	
General Fund	654,823,400	655,123,400	300,000	573,768,100	576,864,800	3,096,700	615,191,500	616,384,200	1,192,700
Restricted Funds	156,477,600	156,477,600		158,623,100	160,926,100	2,303,000	156,537,200	158,887,200	2,350,000
Federal Funds	206,101,700	206,101,700		195,811,700	195,811,700		191,914,300	191,914,300	
Road Fund	600,000	600,000		500,000	500,000		500,000	500,000	
Regular Total Funds	1,049,802,800	1,050,102,800	300,000	963,993,900	969,393,600	5,399,700	1,000,377,600	1,003,920,300	3,542,700
Use of Continuing	13,127,700	13,127,700		12,942,800	12,942,800		6,960,900	6,960,900	
TOTAL FUNDS	1,062,930,500	1,063,230,500	300,000	976,936,700	982,336,400	5,399,700	1,007,338,500	1,010,881,200	3,542,700
II. EXPENDITURE CATEGORY									
Personnel Costs	247,644,100	247,644,100		240,393,500	248,673,500	8,280,000	248,145,300	256,025,300	7,880,000
Operating Expenses	86,849,600	87,149,600	300,000	83,409,600	77,947,600	(5,462,000)	83,882,200	78,382,200	(5,500,000)
Grants, Loans, Benefits	584,526,600	584,526,600		532,345,500	537,458,600	5,113,100	540,850,300	540,680,000	(170,300)
Debt Service	137,290,800	137,290,800		116,095,400	113,564,000	(2,531,400)	129,986,000	131,319,000	1,333,000
Capital Outlay	4,710,000	4,710,000		3,058,300	3,058,300		3,215,300	3,215,300	
Construction	1,909,400	1,909,400		1,634,400	1,634,400		1,259,400	1,259,400	
TOTAL EXPENDITURES	1,062,930,500	1,063,230,500	300,000	976,936,700	982,336,400	5,399,700	1,007,338,500	1,010,881,200	3,542,700
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund (Tobacco)	31,800,100	31,800,100		20,065,100	20,065,100		20,065,100	20,065,100	
General Fund	654,823,400	654,823,400		570,191,000	571,134,800	943,800	579,828,500	574,341,000	(5,487,500)
Restricted Funds	154,471,800	154,471,800		155,640,100	155,250,100	(390,000)	153,809,800	153,859,800	50,000
Federal Funds	206,101,700	206,101,700		189,066,400	189,066,400		185,094,500	185,094,500	
Road Fund	600,000	600,000		500,000	500,000		500,000	500,000	
Regular Total Funds	1,047,797,000	1,047,797,000		935,462,600	936,016,400	553,800	939,297,900	933,860,400	(5,437,500)
Use of Continuing	13,127,700	13,127,700		12,942,800	12,942,800		6,960,900	6,960,900	
TOTAL BASE LEVEL	1,060,924,700	1,060,924,700		948,405,400	948,959,200	553,800	946,258,800	940,821,300	(5,437,500)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)				15,225,900	15,225,900		16,169,500	16,169,500	
General Fund		300,000	300,000	3,577,100	5,730,000	2,152,900	35,363,000	42,043,200	6,680,200
Restricted Funds	2,005,800	2,005,800		2,983,000	5,676,000	2,693,000	2,727,400	5,027,400	2,300,000
Federal Funds				6,745,300	6,745,300		6,819,800	6,819,800	
TOTAL ADDITIONAL	2,005,800	2,305,800	300,000	28,531,300	33,377,200	4,845,900	61,079,700	70,059,900	8,980,200

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Capital Budget

Summary Totals

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				6,525,000	6,525,000		1,250,000	1,250,000	
Federal Funds				38,435,700	57,935,700	19,500,000	1,000,000	1,000,000	
Bond Funds				187,900,000	308,900,000	121,000,000			
Agency Bonds				3,700,000	3,700,000				
Investment Income				1,241,000	1,241,000		1,241,000	1,241,000	
TOTAL CAPITAL				237,801,700	378,301,700	140,500,000	3,491,000	3,491,000	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Office of the Governor

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	9,622,300	9,622,300		8,480,200	8,778,300	298,100	8,665,800	8,959,500	293,700
Restricted Funds	376,600	376,600		910,100	910,100		283,700	283,700	
Regular Total Funds	9,998,900	9,998,900		9,390,300	9,688,400	298,100	8,949,500	9,243,200	293,700
Use of Continuing									
TOTAL FUNDS	9,998,900	9,998,900		9,390,300	9,688,400	298,100	8,949,500	9,243,200	293,700
II. EXPENDITURE CATEGORY									
Personnel Costs	6,046,800	6,046,800		6,006,300	6,006,300		5,895,200	5,895,200	
Operating Expenses	1,832,200	1,832,200		1,581,200	1,581,200		1,251,500	1,251,500	
Grants, Loans, Benefits	2,119,900	2,119,900		1,802,800	2,100,900	298,100	1,802,800	2,096,500	293,700
TOTAL EXPENDITURES	9,998,900	9,998,900		9,390,300	9,688,400	298,100	8,949,500	9,243,200	293,700
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	9,622,300	9,622,300		8,480,200	8,480,200		8,665,800	8,665,800	
Restricted Funds	376,600	376,600		910,100	910,100		283,700	283,700	
Regular Total Funds	9,998,900	9,998,900		9,390,300	9,390,300		8,949,500	8,949,500	
Use of Continuing									
TOTAL BASE LEVEL	9,998,900	9,998,900		9,390,300	9,390,300		8,949,500	8,949,500	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund					298,100	298,100		293,700	293,700
TOTAL ADDITIONAL					298,100	298,100		293,700	293,700
V. ADDITIONAL BUDGET ITEMS									
1	CONT	Restore Base Reduction-Governor's Scholars Program							
ABRG0V00006	Provides funds to restore base reduction for the Governor's Scholars Program.								
General Fund					298,100	298,100		293,700	293,700
Project Total					298,100	298,100		293,700	293,700
TOTAL ADDITIONAL					298,100	298,100		293,700	293,700

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:15 am

OFFICE OF THE GOVERNOR

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Housing Allowance for the Lieutenant Governor: Included in the above General Fund appropriation for the Office of the Governor is \$2,500 monthly as a housing allowance for the Lieutenant Governor's Office."

The Executive Branch Budget supporting documents provide a General Fund appropriation in the amount of \$30,000 in each fiscal year for the Lieutenant Governor's Office for an allowance of up to \$2,500 monthly as a housing allowance.

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House provides additional General Fund support of \$298,100 in fiscal year 2008-2009, and \$293,700 in fiscal year 2009-2010 for the Governor's Scholars Program.

The House adds, Part I, Operating Budget, language provision as follows:

"Governor's Scholars Program: Included in the above General Fund appropriation is \$2,236,900 in each fiscal year for the Governor's Scholars Program."

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Office of State Budget Director

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	4,309,000	4,309,000		3,791,900	3,791,900		3,791,900	3,791,900	
Restricted Funds	636,800	636,800		134,500	134,500		85,300	85,300	
Regular Total Funds	4,945,800	4,945,800		3,926,400	3,926,400		3,877,200	3,877,200	
Use of Continuing									
TOTAL FUNDS	4,945,800	4,945,800		3,926,400	3,926,400		3,877,200	3,877,200	
II. EXPENDITURE CATEGORY									
Personnel Costs	4,227,400	4,227,400		3,206,800	3,206,800		3,211,800	3,211,800	
Operating Expenses	718,400	718,400		719,600	719,600		665,400	665,400	
TOTAL EXPENDITURES	4,945,800	4,945,800		3,926,400	3,926,400		3,877,200	3,877,200	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	4,309,000	4,309,000		3,791,900	3,791,900		3,791,900	3,791,900	
Restricted Funds	636,800	636,800		134,500	134,500		85,300	85,300	
Regular Total Funds	4,945,800	4,945,800		3,926,400	3,926,400		3,877,200	3,877,200	
Use of Continuing									
TOTAL BASE LEVEL	4,945,800	4,945,800		3,926,400	3,926,400		3,877,200	3,877,200	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:15 am

OFFICE OF STATE BUDGET DIRECTOR

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House concurs with the Branch.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****State Planning Fund**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	250,000	250,000		220,000	220,000		220,000	220,000	
Regular Total Funds	250,000	250,000		220,000	220,000		220,000	220,000	
Use of Continuing									
TOTAL FUNDS	250,000	250,000		220,000	220,000		220,000	220,000	
II. EXPENDITURE CATEGORY									
Grants, Loans, Benefits	250,000	250,000		220,000	220,000		220,000	220,000	
TOTAL EXPENDITURES	250,000	250,000		220,000	220,000		220,000	220,000	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	250,000	250,000		220,000	220,000		220,000	220,000	
Regular Total Funds	250,000	250,000		220,000	220,000		220,000	220,000	
Use of Continuing									
TOTAL BASE LEVEL	250,000	250,000		220,000	220,000		220,000	220,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:15 am

STATE PLANNING FUND

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House concurs with the Branch.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Energy Policy

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	7,124,100	7,124,100		1,869,200	2,869,200	1,000,000	1,902,600	2,902,600	1,000,000
Restricted Funds	5,832,700	5,832,700		4,198,200	4,198,200		4,005,000	4,005,000	
Federal Funds	1,603,900	1,603,900		755,400	755,400		755,400	755,400	
Regular Total Funds	14,560,700	14,560,700		6,822,800	7,822,800	1,000,000	6,663,000	7,663,000	1,000,000
Use of Continuing									
TOTAL FUNDS	14,560,700	14,560,700		6,822,800	7,822,800	1,000,000	6,663,000	7,663,000	1,000,000
II. EXPENDITURE CATEGORY									
Personnel Costs	1,192,600	1,192,600		1,127,400	1,127,400		1,160,800	1,160,800	
Operating Expenses	194,600	194,600		194,800	194,800		195,100	195,100	
Grants, Loans, Benefits	13,173,500	13,173,500		5,500,600	6,500,600	1,000,000	5,307,100	6,307,100	1,000,000
TOTAL EXPENDITURES	14,560,700	14,560,700		6,822,800	7,822,800	1,000,000	6,663,000	7,663,000	1,000,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	7,124,100	7,124,100		1,869,200	1,869,200		1,902,600	1,902,600	
Restricted Funds	5,400,000	5,400,000		4,198,200	4,198,200		4,005,000	4,005,000	
Federal Funds	1,603,900	1,603,900		755,400	755,400		755,400	755,400	
Regular Total Funds	14,128,000	14,128,000		6,822,800	6,822,800		6,663,000	6,663,000	
Use of Continuing									
TOTAL BASE LEVEL	14,128,000	14,128,000		6,822,800	6,822,800		6,663,000	6,663,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund					1,000,000	1,000,000		1,000,000	1,000,000
Restricted Funds	432,700	432,700							
TOTAL ADDITIONAL	432,700	432,700			1,000,000	1,000,000		1,000,000	1,000,000
V. ADDITIONAL BUDGET ITEMS									
1 GB Additional Support									
ABR855E0005 Provides additional funds for R&D grants and contracts.									
Restricted Funds	432,700	432,700							
Project Total	432,700	432,700							
2 NEW Carbon Management Research									
ABR855E0006 Provides funds for carbon management research.									
General Fund					1,000,000	1,000,000		1,000,000	1,000,000
Project Total					1,000,000	1,000,000		1,000,000	1,000,000

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****Energy Policy**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TOTAL ADDITIONAL	432,700	432,700			1,000,000	1,000,000		1,000,000	1,000,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:15 am

ENERGY POLICY

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Energy Research and Development: Included in the above Restricted Funds appropriation is \$3,500,000 in fiscal year 2008-2009 and \$3,500,000 in fiscal year 2009-2010 which shall be used for research projects relating to clean coal, new combustion technology, thin-seam coal extraction research, synthetic natural gas produced from coal through gasification processes, and the development of alternative transportation fuels produced by processes that convert coal or biomass resources or extract oil from oil shale and shall be targeted solely to Kentucky's Local Government Economic Development Fund-eligible counties. The Office of Energy Policy shall coordinate its efforts with those of Kentucky's universities and related Kentucky Community and Technical College System programs in order to maximize Kentucky's opportunities for federal funding and receive research grants and awards from federal and other sources of funding for the development of clean coal technology, coal-to-liquid-fuel conversion, alternate transportation fuels, and biomass energy resources."

The Executive Branch Budget supporting documents provide a Restricted Fund appropriation of \$3.5 million in each fiscal year for energy research and development grants (these funds are derived from coal severance receipts) and a Restricted Fund appropriation of \$400,000 in each fiscal year of the biennium for public education of coal-related issues pursuant to KRS 132.020(5).

HOUSE REPORT

The House concurs with the Branch with the following changes:

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT

3/13/08 11:15 am

ENERGY POLICY

The House increases General Fund support totaling \$1,000,000 in each fiscal year to support carbon management research at the University of Kentucky Center for Applied Energy Research.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, language provision relating to Energy Research and Development as follows:

"Energy Research and Development: Included in the above Restricted Funds appropriation is \$3,500,000 in fiscal year 2008-2009 and \$3,500,000 in fiscal year 2009-2010 which shall be used for research projects relating to clean coal, new combustion technology, coal extraction, safety, tracking and communication devices, coal slurry disposal, synthetic natural gas produced from coal through gasification processes, and the development of alternative transportation fuels produced by processes that convert coal or biomass resources or extract oil from oil shale, and other coal research and shall be targeted solely to Kentucky's Local Government Economic Development Fund-eligible counties. The Office of Energy Policy shall coordinate its efforts with those of Kentucky's universities and related Kentucky Community and Technical College System programs in order to maximize Kentucky's opportunities for federal funding and receive research grants and awards from federal and other sources of funding for the development of clean coal technology, coal-to-liquid-fuel conversion, alternate transportation fuels, and biomass energy resources."

The House amends the State Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Carbon Management Research: The General Assembly recognizes the importance of proactively addressing the issue of carbon management in existing coal-fired and natural gas-fired power plants, and the need for the development of technologies to address carbon emissions from all sources. Further, the General Assembly recognizes that it is vital for the economic well-being of the Commonwealth and its citizens that technologies and strategies for the capture, utilization, or mitigation of carbon dioxide emissions be developed and demonstrated.

Therefore, included in the above General Fund appropriation is \$1,000,000 in fiscal year 2008-2009 and \$1,000,000 in fiscal year 2009-2010 for the purpose of supporting research and development activities at the University of Kentucky Center for Applied Energy Research directed toward the development and demonstration of technologies for carbon management. These technologies may include: chemical or mechanical capture, chemical or biological utilization, mitigation through the use of alternative fuel sources, or other relevant technologies. The University of Kentucky Center for Applied Energy Research is encouraged to use these funds to match available federal and private funds to the extent possible."

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Homeland Security

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	349,300	349,300		246,100	246,100		290,000	290,000	
Restricted Funds	635,000	635,000		612,900	612,900		612,900	612,900	
Federal Funds	27,290,100	27,290,100		26,882,900	26,882,900		22,951,700	22,951,700	
Road Fund	350,000	350,000		250,000	250,000		250,000	250,000	
Regular Total Funds	28,624,400	28,624,400		27,991,900	27,991,900		24,104,600	24,104,600	
Use of Continuing									
TOTAL FUNDS	28,624,400	28,624,400		27,991,900	27,991,900		24,104,600	24,104,600	
II. EXPENDITURE CATEGORY									
Personnel Costs	1,956,800	1,956,800		1,988,500	1,988,500		2,032,400	2,032,400	
Operating Expenses	597,300	597,300		835,600	835,600		1,406,300	1,406,300	
Grants, Loans, Benefits	26,060,900	26,060,900		25,158,400	25,158,400		20,656,500	20,656,500	
Construction	9,400	9,400		9,400	9,400		9,400	9,400	
TOTAL EXPENDITURES	28,624,400	28,624,400		27,991,900	27,991,900		24,104,600	24,104,600	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	349,300	349,300		246,100	246,100		290,000	290,000	
Restricted Funds	635,000	635,000		612,900	612,900		612,900	612,900	
Federal Funds	27,290,100	27,290,100		26,882,900	26,882,900		22,951,700	22,951,700	
Road Fund	350,000	350,000		250,000	250,000		250,000	250,000	
Regular Total Funds	28,624,400	28,624,400		27,991,900	27,991,900		24,104,600	24,104,600	
Use of Continuing									
TOTAL BASE LEVEL	28,624,400	28,624,400		27,991,900	27,991,900		24,104,600	24,104,600	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

HOMELAND SECURITY

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House concurs with the Branch.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Homeland Security**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Federal Funds				12,885,700	12,885,700				
TOTAL CAPITAL				12,885,700	12,885,700				
II. CAPITAL PROJECTS									
1	Strategic Voice Mutual Aid System								
PRJ09405001									
Federal Funds				11,261,400	11,261,400				
Project Total				11,261,400	11,261,400				
2	Mobile Communication Centers								
PRJ09405000									
Federal Funds				1,624,300	1,624,300				
Project Total				1,624,300	1,624,300				
TOTAL CAPITAL				12,885,700	12,885,700				

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Department of Veterans' Affairs

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	17,513,800	17,813,800	300,000	17,488,400	17,623,400	135,000	18,548,200	18,783,200	235,000
Restricted Funds	26,435,500	26,435,500		26,431,900	26,431,900		26,959,700	26,959,700	
Regular Total Funds	43,949,300	44,249,300	300,000	43,920,300	44,055,300	135,000	45,507,900	45,742,900	235,000
Use of Continuing									
TOTAL FUNDS	43,949,300	44,249,300	300,000	43,920,300	44,055,300	135,000	45,507,900	45,742,900	235,000
II. EXPENDITURE CATEGORY									
Personnel Costs	36,711,200	36,711,200		37,335,900	37,375,900	40,000	38,802,000	38,917,000	115,000
Operating Expenses	6,841,000	7,141,000	300,000	6,359,600	6,359,600		6,481,100	6,481,100	
Grants, Loans, Benefits	217,500	217,500		217,500	312,500	95,000	217,500	337,500	120,000
Debt Service	168,000	168,000							
Capital Outlay	11,600	11,600		7,300	7,300		7,300	7,300	
TOTAL EXPENDITURES	43,949,300	44,249,300	300,000	43,920,300	44,055,300	135,000	45,507,900	45,742,900	235,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	17,513,800	17,513,800		17,224,900	17,224,900		18,274,700	18,274,700	
Restricted Funds	24,905,700	24,905,700		26,371,900	26,371,900		26,899,700	26,899,700	
Regular Total Funds	42,419,500	42,419,500		43,596,800	43,596,800		45,174,400	45,174,400	
Use of Continuing									
TOTAL BASE LEVEL	42,419,500	42,419,500		43,596,800	43,596,800		45,174,400	45,174,400	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund		300,000	300,000	263,500	398,500	135,000	273,500	508,500	235,000
Restricted Funds	1,529,800	1,529,800		60,000	60,000		60,000	60,000	
TOTAL ADDITIONAL	1,529,800	1,829,800	300,000	323,500	458,500	135,000	333,500	568,500	235,000
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN Kentucky Veterans Cemetery North									
ABR074D0013 Provides funds to support operation and 6 additional full-time positions at the new Ky. Veterans Cemetery North.									
General Fund				263,500	263,500		273,500	273,500	
Restricted Funds				60,000	60,000		60,000	60,000	
Project Total				323,500	323,500		333,500	333,500	

A - General Government**Operating Budget****Department of Veterans' Affairs**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010			
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2	EXPAN	Kentucky Veterans Cemetery Northeast							
ABR074D0014	Provides funds to support establishment and operation of the Ky. Veterans Cemetery Northeast and 7 new full-time positions.								
General Fund							55,000	55,000	
Project Total							55,000	55,000	
3	EXPAN	Women's Veterans Program							
ABR074D0008	Provides funds to support 1 full-time filled position in the Womens Veterans Program.								
General Fund					40,000	40,000	60,000	60,000	
Project Total					40,000	40,000	60,000	60,000	
4	EXPAN	Military Funeral Honors Program							
ABR074D0006	Provides funds required to fully support the Burial Honors Program for veterans.								
General Fund					20,000	20,000	20,000	20,000	
Project Total					20,000	20,000	20,000	20,000	
5	EXPAN	Homeless Veterans' Transition Funds							
ABR074D0007	Provides funds to support additional operating cost of program.								
General Fund					30,000	30,000	30,000	30,000	
Project Total					30,000	30,000	30,000	30,000	
6	EXPAN	VSO Training							
ABR074D0005	Provides funds to replace current agency operating funds used to support this program.								
General Fund					32,500	32,500	32,500	32,500	
Project Total					32,500	32,500	32,500	32,500	
7	CONT	Current Year Appropriation							
ABR074D0018	Provides current year funds for operation of the Department.								
General Fund		300,000	300,000						
Restricted Funds		1,529,800	1,529,800						
Project Total		1,529,800	1,829,800	300,000					
8	NEW	Indigent Veterans' Burial Assistance							
ABR074D0019	Provide funds for the assistance for burial services to indigent veterans'.								
General Fund					12,500	12,500	37,500	37,500	
Project Total					12,500	12,500	37,500	37,500	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****Department of Veterans' Affairs**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TOTAL ADDITIONAL	1,529,800	1,829,800	300,000	323,500	458,500	135,000	333,500	568,500	235,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

DEPARTMENT OF VETERANS' AFFAIRS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Weekend and Holiday Premium Pay Incentive: The Kentucky Veterans' Centers are authorized to continue the weekend and holiday premium pay incentive component of the Personnel Pilot Program for the 2008-2010 fiscal biennium."

"Congressional Medal of Honor Recipients - Travel and Per Diem: The Commissioner of the Department of Veterans' Affairs may approve travel and per diem expenses incurred when Kentucky residents who have been awarded the Congressional Medal of Honor attend veterans, military, or memorial events in the Commonwealth of Kentucky."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House adds a Part I, Operating Budget, language provision as follows:

"Veterans' Service Organization Funding: Included in the above General Fund appropriation is \$100,000 in each fiscal year for grants to the Veterans' Service Organization programs."

"Enhanced Veterans' Nursing Home Services: The Department of Veterans' Affairs shall solicit a proposal from the University of Louisville to enhance the quality of care and access to neurology, geriatric, and other specialty care services for the residents of the

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

DEPARTMENT OF VETERANS' AFFAIRS

veterans nursing facilities. The department shall submit a progress report to the Governor and the Legislative Research Commission on this initiative by August 15, 2008."

"Veterans' Services Improvement Trust Fund: The Veterans' Services Improvement Trust Fund is established in the Department of Veterans' Affairs. The purpose of this fund is to receive moneys that will be appropriated by the General Assembly to improve services to the veterans of the Commonwealth. Notwithstanding KRS 45.229, any balance remaining in the Veterans' Services Improvement Trust Fund at the end of a fiscal year shall not lapse and shall be carried forward to the next fiscal year to be utilized solely for the purpose of the trust fund as directed by the General Assembly. Notwithstanding KRS 45.229, any interest earnings of the trust fund shall become a part of the trust fund and shall not lapse."

"Excess Agency Receipts: If Agency Receipts and Restricted Funds are received by the Department of Veterans' Affairs in excess of \$26,450,000 in fiscal year 2008-2009 and \$26,960,000 in fiscal year 2009-2010 50 percent of those excess amounts shall be deposited in the Veterans' Services Improvement Trust Fund established under subsection 5 of this section."

"Veterans' Cemetery Northeast: Included in the above General Fund appropriation is \$55,000 in fiscal year 2009-2010 for the personnel and operating expenses of the Veterans' Cemetery Northeast in Greenup County."

"Debt Service - Fourth State Veterans' Nursing Home: If any debt service is required for the construction of the Fourth State Veterans' Nursing Home authorized in Part II, Capital Projects Budget, of this Act in fiscal year 2008-2009 or fiscal year 2009-2010, it shall be deemed a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). No bonds shall be sold for this project until it has been approved by the United States Department of Veterans' Affairs and the Commonwealth has been notified by the United States Department of Veterans' Affairs that federal funds are available to support this construction."

The House accepts the Technical amendment in the Capital Project listed in Part II, A. 2. 002. which changes the amount of the project from "\$600,000" to "\$6,000,000" and corrects a drafting error.

The House includes a project for the "Fourth State Veterans' Nursing Home" in the Part II, Capital Projects budget.

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Department of Veterans' Affairs**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Federal Funds					19,500,000	19,500,000			
Bond Funds					10,500,000	10,500,000			
Investment Income				100,000	100,000		100,000	100,000	
TOTAL CAPITAL				100,000	30,100,000	30,000,000	100,000	100,000	
II. CAPITAL PROJECTS									
1	Maintenance Pool - 2008-2010								
PRJ074D5001									
Investment Income				100,000	100,000		100,000	100,000	
Project Total				100,000	100,000		100,000	100,000	
2	Construct State Veterans' Cemetery - Southeast Kentucky (Leslie County) Reauthorization (\$200,000 General Fund, \$6,000,000 Federal Funds)								
PRJ074D5004									
General Fund									
Federal Funds									
Project Total									
3	Construct Fourth State Veterans' Nursing Home								
PRJ074D5000									
Federal Funds					19,500,000	19,500,000			
Bond Funds					10,500,000	10,500,000			
Project Total					30,000,000	30,000,000			
TOTAL CAPITAL				100,000	30,100,000	30,000,000	100,000	100,000	

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Governor's Office of Agricultural Policy

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)	31,800,100	31,800,100		35,291,000	35,291,000		36,234,600	31,814,600	(4,420,000)
General Fund									
Restricted Funds	570,000	570,000		547,800	547,800		480,700	480,700	
Regular Total Funds	32,370,100	32,370,100		35,838,800	35,838,800		36,715,300	32,295,300	(4,420,000)
Use of Continuing	12,689,700	12,689,700		12,942,800	12,942,800		6,960,900	6,960,900	
TOTAL FUNDS	45,059,800	45,059,800		48,781,600	48,781,600		43,676,200	39,256,200	(4,420,000)
II. EXPENDITURE CATEGORY									
Personnel Costs	1,073,000	1,073,000		1,112,800	1,112,800		1,147,400	1,147,400	
Operating Expenses	251,800	251,800		251,800	251,800		251,800	251,800	
Grants, Loans, Benefits	43,735,000	43,735,000		47,417,000	47,417,000		42,277,000	36,973,000	(5,304,000)
Debt Service								884,000	884,000
TOTAL EXPENDITURES	45,059,800	45,059,800		48,781,600	48,781,600		43,676,200	39,256,200	(4,420,000)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund (Tobacco)	31,800,100	31,800,100		20,065,100	20,065,100		20,065,100	20,065,100	
General Fund									
Restricted Funds	570,000	570,000		547,800	547,800		480,700	480,700	
Regular Total Funds	32,370,100	32,370,100		20,612,900	20,612,900		20,545,800	20,545,800	
Use of Continuing	12,689,700	12,689,700		12,942,800	12,942,800		6,960,900	6,960,900	
TOTAL BASE LEVEL	45,059,800	45,059,800		33,555,700	33,555,700		27,506,700	27,506,700	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)				15,225,900	15,225,900		16,169,500	11,749,500	(4,420,000)
TOTAL ADDITIONAL				15,225,900	15,225,900		16,169,500	11,749,500	(4,420,000)
V. ADDITIONAL BUDGET ITEMS									
1 GB	Continuation of Existing Programs								
ABR089A0001	Authorizes utilization of Master Settlement Agreement (Phase I Tobacco Funds) receipts based on revised Consensus Forecasting Group estimate.								
General Fund (Tobacco)				15,225,900	15,225,900		16,169,500	11,749,500	(4,420,000)
Project Total				15,225,900	15,225,900		16,169,500	11,749,500	(4,420,000)
TOTAL ADDITIONAL				15,225,900	15,225,900		16,169,500	11,749,500	(4,420,000)

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

GOVERNOR'S OFFICE OF AGRICULTURAL POLICY

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Kentucky Agricultural Finance Corporation: Notwithstanding KRS 247.978(2), the total amount of principal which a qualified applicant may owe the Kentucky Agricultural Finance Corporation at any one time shall not exceed \$5,000,000."

"Tobacco Settlement Funds - Allocations: Notwithstanding KRS 248.711(2), and from the allocation provided therein, counties that are allocated in excess of \$20,000 annually may provide up to four percent of the individual county allocation, not to exceed \$15,000 annually, to the county council in that county for administrative costs."

The State/Executive Branch Budget Bill, Part X, Phase I Tobacco Settlement, includes language provisions as follows:

"Agricultural Development Initiatives: Fifty percent of the MSA payments, less the above enforcement appropriations, received in fiscal year 2008-2009, estimated to be \$59,707,500, and in fiscal year 2009-2010, estimated to be \$60,652,500, is appropriated to the Kentucky Agricultural Development Fund to be used for agricultural development initiatives."

"MSA Appropriation Adjustments - Prior Year Receipts Received: In the event that Phase I Master Settlement Agreement revenues due from a prior fiscal year are received in a subsequent fiscal year, those revenues are hereby appropriated as follows: 50 percent to the Agricultural Development Fund, 25 percent to the Early Childhood Development Fund, and 25 percent to the Health Care Improvement Fund."

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

GOVERNOR'S OFFICE OF AGRICULTURAL POLICY

"Tobacco Settlement Funds - Allocations: Notwithstanding KRS 248.711(2), and from the allocation provided therein, counties that are allocated in excess of \$20,000 annually may provide up to four percent of the individual county allocation, not to exceed \$15,000 annually, to the county council in that county for administrative costs."

The Executive Branch Budget supporting documents provide that \$20,897,625 in fiscal year 2009 and \$21,228,375 in fiscal year 2010 of MSA payments be allocated to the county portion of the Kentucky Agricultural Development Fund.

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House reduces General Fund (Tobacco) support totaling \$4,420,000 in fiscal year 2009-2010.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

"Authorization of Additional Positions: Included in the above General Fund (Tobacco) appropriation is \$80,000 in each fiscal year for two additional positions."

"Tobacco Settlement Funds - Debt Service: Included in the above General Fund (Tobacco) appropriation is \$884,000 in fiscal year 2009-2010 for new debt service to support \$10,000,000 of new bonds as set forth in Part II, Capital Projects Budget, of this Act for the Kentucky Agriculture Heritage Center."

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include \$10,000,000 in Bond Funds for the Kentucky Agriculture Heritage Center and the following language provisions:

"The bonds shall be issued by the Kentucky Asset/Liability Commission or any other applicable state entity authorized by law to issue bonds, as designated by the Secretary of the Finance and Administration Cabinet."

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A - General Government**Capital Budget****Governor's Office of Agricultural Policy**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE								
Bond Funds				10,000,000	10,000,000			
TOTAL CAPITAL				10,000,000	10,000,000			

II. CAPITAL PROJECTS**1 Kentucky Agriculture Heritage Center**

PRJ089A0001

Bond Funds				10,000,000	10,000,000			
Project Total				10,000,000	10,000,000			

TOTAL CAPITAL				10,000,000	10,000,000			
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A - General Government**Operating Budget****Kentucky Infrastructure Authority**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)								4,420,000	4,420,000
General Fund	25,681,500	25,681,500		955,800	955,800		6,716,100	11,136,100	4,420,000
Restricted Funds	1,700,000	1,700,000		1,752,600	1,752,600		1,279,400	1,279,400	
Federal Funds	50,172,600	50,172,600		50,172,600	50,172,600		50,172,600	50,172,600	
Regular Total Funds	77,554,100	77,554,100		52,881,000	52,881,000		58,168,100	67,008,100	8,840,000
Use of Continuing									
TOTAL FUNDS	77,554,100	77,554,100		52,881,000	52,881,000		58,168,100	67,008,100	8,840,000
II. EXPENDITURE CATEGORY									
Personnel Costs	3,557,600	3,557,600		2,537,900	2,537,900		2,869,200	2,869,200	
Operating Expenses	167,900	167,900		170,500	170,500		168,300	168,300	
Grants, Loans, Benefits	50,172,600	50,172,600		50,172,600	50,172,600		50,172,600	50,172,600	
Debt Service	23,656,000	23,656,000					4,958,000	13,798,000	8,840,000
TOTAL EXPENDITURES	77,554,100	77,554,100		52,881,000	52,881,000		58,168,100	67,008,100	8,840,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	25,681,500	25,681,500		955,800	955,800		1,758,100	1,758,100	
Restricted Funds	1,700,000	1,700,000		1,752,600	1,752,600		1,279,400	1,279,400	
Federal Funds	50,172,600	50,172,600		50,172,600	50,172,600		50,172,600	50,172,600	
Regular Total Funds	77,554,100	77,554,100		52,881,000	52,881,000		53,210,100	53,210,100	
Use of Continuing									
TOTAL BASE LEVEL	77,554,100	77,554,100		52,881,000	52,881,000		53,210,100	53,210,100	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)								4,420,000	4,420,000
General Fund							4,958,000	9,378,000	4,420,000
TOTAL ADDITIONAL							4,958,000	13,798,000	8,840,000
V. ADDITIONAL BUDGET ITEMS									
1 GB KIA Debt Service									
ABR082K0003	Provides General Fund debt service for \$8,000,000 in bonds for Fund A and Fund F as well as \$50,000,000 for Infrastructure for Economic Development Fund for Coal-Producing Counties.								
General Fund							4,958,000	4,958,000	
Project Total							4,958,000	4,958,000	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****Kentucky Infrastructure Authority**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2 NEW	Additional KIA Debt Service							
ABR082K0004	Provides General Fund and General Fund (Tobacco) debt service for \$100,000,000 in bonds for Infrastructure for Economic Development Fund for Non-Coal Producing Counties.							
General Fund (Tobacco)							4,420,000	4,420,000
General Fund							4,420,000	4,420,000
Project Total							8,840,000	8,840,000
TOTAL ADDITIONAL						4,958,000	13,798,000	8,840,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

KENTUCKY INFRASTRUCTURE AUTHORITY

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Administrative Fee on Infrastructure for Economic Development Fund Projects: A one-half of one percent administrative fee is authorized to be paid to the Kentucky Infrastructure Authority for the administration of each project funded by the Infrastructure for Economic Development Fund for Coal-Producing Counties and the Infrastructure for Economic Development Fund for Tobacco Counties. These administrative fees shall be paid, upon inception of the project, out of the fund from which the project was allocated."

"Local Government Economic Development Funds: Included in the above General Fund appropriation is \$370,000 in each year of the biennium from the Local Government Economic Development Fund to support services provided to coal-producing counties."

"Debt Service: Included in the above General Fund appropriation is \$4,958,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act."

The State/Executive Branch Budget Bill, Part II, Capital Projects Budget, includes language provisions as follows:

"Permitted Use of Funds: The bond funds shall be used to meet the state match requirement for federal funds for the Safe Drinking Water State Revolving Loan Fund program."

"Permitted Use of Funds: The bond funds shall be used to meet the state match requirement for federal funds for the Federally

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

KENTUCKY INFRASTRUCTURE AUTHORITY

Assisted Wastewater Revolving Loan Fund Program."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House provides additional General Fund debt service totaling \$4,420,000 and General Fund (Tobacco) debt service totaling \$4,420,000 in fiscal year 2009-2010 for \$100,000,000 in Bond Funds for the Infrastructure for Economic Development Fund for Non-Coal Producing Counties.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to revise the following language provision:

"Debt Service: Included in the above General Fund appropriation is \$9,378,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

Included in the above General Fund (Tobacco) appropriation is \$4,420,000 in fiscal year 2009-2010 for new debt service to support half of the new bonds as set forth in Part II, A., 3., 004., of this Act."

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget to include \$100,000,000 in Bond Funds for the Infrastructure for Economic Development Fund for Non-Coal Producing Counties and the following:

"005. Hardin County Water District #2 - WX21093035 - Louisville Water Wholesale Interconnect Project Reauthorization and Reallocation

(\$500,000 Bond Funds)

(1) Reauthorization and Reallocation: The above project is authorized from a reallocation of the Hardin County Water District #2 - WX21093009 - Cecilia Water Storage Tank project as set forth in 2006 Ky. Acts ch. 252, Part II, O., Hardin County, 009."

A - General Government**Capital Budget****Kentucky Infrastructure Authority**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Bond Funds				58,000,000	158,000,000	100,000,000			
TOTAL CAPITAL				58,000,000	158,000,000	100,000,000			

II. CAPITAL PROJECTS

1	Infrastructure for Economic Development Fund for Coal-Producing Counties								
PRJ082K1353									
Bond Funds				50,000,000	50,000,000				
Project Total				50,000,000	50,000,000				
2	KIA Fund F - Drinking Water Revolving Loan Program								
PRJ082K1352									
Bond Funds				4,000,000	4,000,000				
Project Total				4,000,000	4,000,000				
3	KIA Fund A - Federally Assisted Wastewater Program								
PRJ082K1351									
Bond Funds				4,000,000	4,000,000				
Project Total				4,000,000	4,000,000				
4	Infrastructure for Economic Development Fund for Non-Coal Producing Counties								
PRJ082K1355									
Bond Funds					100,000,000	100,000,000			
Project Total					100,000,000	100,000,000			
TOTAL CAPITAL				58,000,000	158,000,000	100,000,000			

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A - General Government

Operating Budget

Military Affairs

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	15,926,200	15,926,200		10,130,800	10,355,800	225,000	10,368,800	10,533,800	165,000
Restricted Funds	38,064,700	38,064,700		37,711,400	37,714,400	3,000	37,975,100	38,025,100	50,000
Federal Funds	62,660,700	62,660,700		41,932,800	41,932,800		41,932,800	41,932,800	
Regular Total Funds	116,651,600	116,651,600		89,775,000	90,003,000	228,000	90,276,700	90,491,700	215,000
Use of Continuing									
TOTAL FUNDS	116,651,600	116,651,600		89,775,000	90,003,000	228,000	90,276,700	90,491,700	215,000
II. EXPENDITURE CATEGORY									
Personnel Costs	30,916,600	30,916,600		29,743,000	29,783,000	40,000	30,351,000	30,416,000	65,000
Operating Expenses	33,556,700	33,556,700		31,809,200	31,847,200	38,000	31,813,500	31,813,500	
Grants, Loans, Benefits	48,764,300	48,764,300		25,704,800	25,854,800	150,000	25,383,200	25,533,200	150,000
Debt Service	1,329,000	1,329,000		1,118,000	1,118,000		1,329,000	1,329,000	
Capital Outlay	1,035,000	1,035,000		400,000	400,000		400,000	400,000	
Construction	1,050,000	1,050,000		1,000,000	1,000,000		1,000,000	1,000,000	
TOTAL EXPENDITURES	116,651,600	116,651,600		89,775,000	90,003,000	228,000	90,276,700	90,491,700	215,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	15,926,200	15,926,200		10,130,800	10,105,800	(25,000)	10,368,800	10,318,800	(50,000)
Restricted Funds	38,064,700	38,064,700		37,711,400	37,711,400		37,975,100	38,025,100	50,000
Federal Funds	62,660,700	62,660,700		41,932,800	41,932,800		41,932,800	41,932,800	
Regular Total Funds	116,651,600	116,651,600		89,775,000	89,750,000	(25,000)	90,276,700	90,276,700	
Use of Continuing									
TOTAL BASE LEVEL	116,651,600	116,651,600		89,775,000	89,750,000	(25,000)	90,276,700	90,276,700	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund					250,000	250,000		215,000	215,000
Restricted Funds					3,000	3,000			
TOTAL ADDITIONAL					253,000	253,000		215,000	215,000
V. ADDITIONAL BUDGET ITEMS									
1	RFF	Flood Warning System Replacement Funding							
ABR095K0013	Provides state replacement funds to support a federally mandated Integrated Flood Warning System of 182 sites and required upgrade of 7 sites.								
General Fund					100,000	100,000		65,000	65,000
Project Total					100,000	100,000		65,000	65,000

A - General Government**Operating Budget****Military Affairs**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2	NEW	Ky Medal for Freedom Program						
ABR095K0014	Provides funds to support the purchase of supplies to implement the Ky Medal for Freedom Program							
Restricted Funds				3,000	3,000			
Project Total				3,000	3,000			
3	CONT	Search and Rescue Grant Program						
ABR095K0015	Provide funds to continue the Search and Rescue Grant Program.							
General Fund				150,000	150,000		150,000	150,000
Project Total				150,000	150,000		150,000	150,000
TOTAL ADDITIONAL				253,000	253,000		215,000	215,000

TRANSFERS TO THE GENERAL FUND**Military Affairs**

Agency Revenue Fund	300,000	300,000
TOTAL	300,000	300,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

MILITARY AFFAIRS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Kentucky National Guard: There is appropriated from the General Fund the necessary funds to be expended, subject to the conditions and procedures provided in this Act, which are required as a result of the Governor's declaration of emergency pursuant to KRS Chapter 39A, and the Governor's call of the Kentucky National Guard to active duty when an emergency or exigent situation has been declared to exist by the Governor. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705)."

" Disaster or Emergency Aid Funds: There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures in this Act, which are required to match federal aid to which the state would be eligible in the event of a presidentially declared disaster or emergency. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705)."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House adds a Part I, Operating Budget, language provision as follows:

"Flood Warning Replacement Funding: Included in the above appropriation is \$100,000 of General Fund moneys in fiscal year

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

MILITARY AFFAIRS

2008-2009 and \$65,000 in General Fund moneys in fiscal year 2009-2010 for operational cost for the Integrated Flood Warning System."

"Search and Rescue Grant Program: Included in the above General Fund appropriation is \$150,000 in fiscal year 2008-2009 and \$150,000 in FY 2009-2010 to support the Search and Rescue Grant Program."

"Patton Museum: The General Fund Moneys of \$12,799,700 appropriated in 2006 Ky. Acts ch. 252, Part I, A., 8., for fiscal year 2007-2008 include \$500,000 to provide funds for a grant to support the operations of the Patton Museum."

The House adds a Part V Funds Transfer of \$300,000 Agency Revenue Fund in fiscal year 2008-2009 to the General Fund.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Military Affairs**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				3,200,000	3,200,000		1,000,000	1,000,000	
Federal Funds				25,550,000	25,550,000		1,000,000	1,000,000	
Agency Bonds				3,700,000	3,700,000				
Investment Income				1,000,000	1,000,000		1,000,000	1,000,000	
TOTAL CAPITAL				33,450,000	33,450,000		3,000,000	3,000,000	
II. CAPITAL PROJECTS									
1	Construct Phase VII Wendell H. Ford Regional Training Center								
PRJ095K1343									
Federal Funds				20,000,000	20,000,000				
Project Total				20,000,000	20,000,000				
2	Maintenance Pool - 2008-2010								
PRJ095K1610									
Federal Funds				1,000,000	1,000,000		1,000,000	1,000,000	
Investment Income				1,000,000	1,000,000		1,000,000	1,000,000	
Project Total				2,000,000	2,000,000		2,000,000	2,000,000	
3	Renovate Bluegrass Station Infrastructure								
PRJ095K1608									
Agency Bonds				3,700,000	3,700,000				
Project Total				3,700,000	3,700,000				
4	Construct Pole Barns at Bluegrass Station								
PRJ095K5009									
Restricted Funds				2,200,000	2,200,000				
Project Total				2,200,000	2,200,000				
5	Bluegrass Station Maintenance Pool 2008-2010								
PRJ095K5010									
Restricted Funds				1,000,000	1,000,000		1,000,000	1,000,000	
Project Total				1,000,000	1,000,000		1,000,000	1,000,000	

A - General Government**Capital Budget****Military Affairs**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
6 Expansion of Military Dining Facility Wendell H. Ford Regional Training Center								
PRJ095K1345								
Federal Funds			1,300,000	1,300,000				
Project Total			1,300,000	1,300,000				
7 Construct Field Maintenance Shop 8 Conversion								
PRJ095K5001								
Federal Funds			1,200,000	1,200,000				
Project Total			1,200,000	1,200,000				
8 Construct Field Maintenance Shop 1 Conversion								
PRJ095K5000								
Federal Funds			1,200,000	1,200,000				
Project Total			1,200,000	1,200,000				
9 Construct Multi-Purpose Machine Gun Range Wendell H. Ford Regional Training Center								
PRJ095K1340								
Federal Funds			850,000	850,000				
Project Total			850,000	850,000				
TOTAL CAPITAL			33,450,000	33,450,000		3,000,000	3,000,000	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Commission on Human Rights

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	1,890,900	1,890,900		1,901,800	2,001,800	100,000	1,960,400	2,060,400	100,000
Restricted Funds	173,000	173,000		1,600	1,600		1,600	1,600	
Federal Funds	284,400	284,400		278,200	278,200		283,700	283,700	
Regular Total Funds	2,348,300	2,348,300		2,181,600	2,281,600	100,000	2,245,700	2,345,700	100,000
Use of Continuing									
TOTAL FUNDS	2,348,300	2,348,300		2,181,600	2,281,600	100,000	2,245,700	2,345,700	100,000
II. EXPENDITURE CATEGORY									
Personnel Costs	1,982,900	1,982,900		1,810,900	1,910,900	100,000	1,873,900	1,973,900	100,000
Operating Expenses	365,400	365,400		370,700	370,700		371,800	371,800	
TOTAL EXPENDITURES	2,348,300	2,348,300		2,181,600	2,281,600	100,000	2,245,700	2,345,700	100,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	1,890,900	1,890,900		1,901,800	2,001,800	100,000	1,960,400	2,060,400	100,000
Restricted Funds	173,000	173,000		1,600	1,600		1,600	1,600	
Federal Funds	284,400	284,400		278,200	278,200		283,700	283,700	
Regular Total Funds	2,348,300	2,348,300		2,181,600	2,281,600	100,000	2,245,700	2,345,700	100,000
Use of Continuing									
TOTAL BASE LEVEL	2,348,300	2,348,300		2,181,600	2,281,600	100,000	2,245,700	2,345,700	100,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

COMMISSION ON HUMAN RIGHTS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House increases General Fund support totaling \$100,000 in each fiscal year to partially restore baseline funding for personnel expenses.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Commission on Women

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	261,200	261,200		239,900	239,900		237,900	237,900	
Restricted Funds	24,400	24,400		10,000	10,000		18,200	18,200	
Regular Total Funds	285,600	285,600		249,900	249,900		256,100	256,100	
Use of Continuing									
TOTAL FUNDS	285,600	285,600		249,900	249,900		256,100	256,100	
II. EXPENDITURE CATEGORY									
Personnel Costs	207,000	207,000		184,100	184,100		190,300	190,300	
Operating Expenses	78,600	78,600		65,800	65,800		65,800	65,800	
TOTAL EXPENDITURES	285,600	285,600		249,900	249,900		256,100	256,100	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	261,200	261,200		239,900	239,900		237,900	237,900	
Restricted Funds	24,400	24,400		10,000	10,000		18,200	18,200	
Regular Total Funds	285,600	285,600		249,900	249,900		256,100	256,100	
Use of Continuing									
TOTAL BASE LEVEL	285,600	285,600		249,900	249,900		256,100	256,100	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:16 am

COMMISSION ON WOMEN

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House concurs with the Branch.

A - General Government**Operating Budget****Governor's Office for Local Development**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	40,007,700	40,007,700		9,422,300	9,742,300	320,000	11,668,800	11,988,800	320,000
Restricted Funds	2,085,600	2,085,600		3,416,200	3,716,200	300,000	1,040,500	1,340,500	300,000
Federal Funds	55,564,200	55,564,200		55,564,200	55,564,200		55,564,200	55,564,200	
Regular Total Funds	97,657,500	97,657,500		68,402,700	69,022,700	620,000	68,273,500	68,893,500	620,000
Use of Continuing									
TOTAL FUNDS	97,657,500	97,657,500		68,402,700	69,022,700	620,000	68,273,500	68,893,500	620,000
II. EXPENDITURE CATEGORY									
Personnel Costs	5,916,400	5,916,400		5,029,900	5,029,900		5,329,900	5,329,900	
Operating Expenses	807,600	807,600		757,800	757,800		758,300	758,300	
Grants, Loans, Benefits	83,400,500	83,400,500		62,615,000	63,235,000	620,000	61,739,300	62,359,300	620,000
Debt Service	7,533,000	7,533,000					446,000	446,000	
TOTAL EXPENDITURES	97,657,500	97,657,500		68,402,700	69,022,700	620,000	68,273,500	68,893,500	620,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	40,007,700	40,007,700		9,422,300	9,422,300		11,222,800	11,222,800	
Restricted Funds	2,085,600	2,085,600		3,416,200	3,416,200		1,040,500	1,040,500	
Federal Funds	55,564,200	55,564,200		55,564,200	55,564,200		55,564,200	55,564,200	
Regular Total Funds	97,657,500	97,657,500		68,402,700	68,402,700		67,827,500	67,827,500	
Use of Continuing									
TOTAL BASE LEVEL	97,657,500	97,657,500		68,402,700	68,402,700		67,827,500	67,827,500	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund					320,000	320,000	446,000	766,000	320,000
Restricted Funds					300,000	300,000		300,000	300,000
TOTAL ADDITIONAL					620,000	620,000	446,000	1,066,000	620,000
V. ADDITIONAL BUDGET ITEMS									
1	GB	JFA Grant							
ABRLDA00003 Provides General Fund support for the Federal Match for the Joint Funding Administration Grant.									
General Fund					320,000	320,000		320,000	320,000
Project Total					320,000	320,000		320,000	320,000
2	EXPAN	Debt Service							
ABRLDA00006 Provides funds for debt service for \$2.2 million Bond Funds for the Flood Control Matching Program.									
General Fund							99,000	99,000	
Project Total							99,000	99,000	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Governor's Office for Local Development

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
3 EXPAN Debt Service - Restore Community Development Projects								
ABRLDA00007 Provides funds for debt service for the Louisville Zoo-Glacier Run Project, Pikeville Medical Center, and Lake Malone State Park Improvements.								
General Fund						347,000	347,000	
Project Total						347,000	347,000	
4 NEW Support of the 12 Multi-County Regional Industrial Park Authorities								
ABRLDA00008 Provides Restricted Funds to be distributed equally to each of the 12 Multi-County Regional Industrial Park Authorities.								
Restricted Funds				300,000	300,000		300,000	300,000
Project Total				300,000	300,000		300,000	300,000
TOTAL ADDITIONAL				620,000	620,000	446,000	1,066,000	620,000

TRANSFERS TO THE GENERAL FUND

Governor's Office for Local Development

Expendable Trust Fund (KRS 42.4582)			2,200,000	2,200,000		2,200,000	2,200,000	
Other Special Revenue Fund	572,800	572,800						
TOTAL	572,800	572,800	2,200,000	2,200,000		2,200,000	2,200,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

GOVERNOR'S OFFICE FOR LOCAL DEVELOPMENT

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Governor's Office for Local Development, Expendable Trust Fund of \$2,200,000 in fiscal year 2008-2009 and \$2,200,000 in fiscal year 2009-2010, and a transfer from Other Special Revenue Fund of \$572,800 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Debt Service: Included in the above General Fund appropriation is \$446,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act."

The Executive Branch Budget supporting documents provide a General Fund appropriation of \$99,000 in fiscal year 2009-2010 for debt service on \$2,200,000 Bond Funds for the Flood Control Matching Fund and a General Fund appropriation of \$347,000 in fiscal year 2009-2010 for debt service on \$7,700,000 Bond Funds for Louisville Zoo-Glacier Run, Pikeville Medical Center, and Lake Malone State Park Improvements.

The Executive Branch Budget supporting documents also provide a General Fund appropriation of \$1,000,000 in each fiscal year for the Trover Clinic Grant (these funds are derived from coal severance revenues) and a General Fund appropriation of \$669,700 in each fiscal year for the administrative costs associated with managing the Local Government Economic Development Fund (LGEDF) single county grants (these funds are derived from coal severance revenues).

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**GOVERNOR'S OFFICE FOR LOCAL DEVELOPMENT
HOUSE REPORT**

The House concurs with the Branch with the following changes:

The House increases General Fund support totaling \$320,000 in each fiscal year for the Joint Funding Administration grant.

The House increases Restricted Funds totaling \$300,000 in each fiscal year for the 12 Multi-County regional industrial park authorities.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Support of the 12 Multi-County Regional Industrial Park Authorities: Included in the above Restricted Funds appropriation is \$300,000 in fiscal year 2008-2009 and \$300,000 in fiscal year 2009-2010 in support of the 12 Multi-County regional industrial park authorities. Funds shall be distributed equally to the 12 Multi-County regional industrial park authorities for marketing and maintenance of the industrial parks and the procurement of property and casualty insurance on the parks."

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include reauthorization for the City of Brownsville - Building Improvement Project.

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include the following language provisions:

"Reauthorization and Purpose of Funds: Notwithstanding any statutory provision or agreement between a state agency and a local government to the contrary, any fund balance remaining for grants to the City of Covington for Timestar Commons planning as appropriated in 2006 Ky. Acts ch. 252, Part I, A., 11., (10) and for the City of Covington - Times Star Commons - Planning in 2006 Ky. Acts ch. 252, Part II, P., Kenton County, 002., shall be reauthorized. The funds appropriated for the aforementioned projects and the City of Covington - Times Star Commons - Planning in 2006 Ky. Acts ch. 252, Part II, P., Kenton County, 001., may be used for land acquisition."

"Reauthorizatton: The above project from 2006 Ky. Acts ch. 252, Part II, P., Edmonson County, 001., is reauthorized for the 2008-2010 biennium."

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Governor's Office for Local Development**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Bond Funds				9,900,000	9,900,000				
TOTAL CAPITAL				9,900,000	9,900,000				
II. CAPITAL PROJECTS									
1	Louisville Zoo - Glacier Run								
PRJLDA05003									
Bond Funds				6,000,000	6,000,000				
Project Total				6,000,000	6,000,000				
2	Flood Control Matching Fund								
PRJLDA01349									
Bond Funds				2,200,000	2,200,000				
Project Total				2,200,000	2,200,000				
3	Pike County Fiscal Court - Pikeville Medical Center - Planning, Design, and Construction								
PRJLDA05002									
Bond Funds				1,500,000	1,500,000				
Project Total				1,500,000	1,500,000				
4	Lake Malone State Park - Park Improvements and Miniature Golf Course								
PRJLDA05001									
Bond Funds				200,000	200,000				
Project Total				200,000	200,000				
5	Franklin County - Lease								
PRJLDA05000									
General Fund									
Project Total									
TOTAL CAPITAL				9,900,000	9,900,000				

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Special Funds

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
Regular Total Funds	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
Use of Continuing									
TOTAL FUNDS	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
II. EXPENDITURE CATEGORY									
Grants, Loans, Benefits	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
TOTAL EXPENDITURES	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
Regular Total Funds	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
Use of Continuing									
TOTAL BASE LEVEL	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
VI. EXPENDITURES BY UNIT									
Local Government Economic Assistance Fund									
General Fund	56,876,700	56,876,700		55,693,000	55,693,000		57,755,100	57,755,100	
Local Government Economic Development Fund									
General Fund	54,399,200	54,399,200		52,396,300	55,296,300	2,900,000	47,642,800	50,542,800	2,900,000
Area Development Fund									
General Fund	785,400	785,400		691,200	691,200		691,200	691,200	
TOTAL	112,061,300	112,061,300		108,780,500	111,680,500	2,900,000	106,089,100	108,989,100	2,900,000
TRANSFERS TO THE GENERAL FUND									
Local Government Economic Development Fund									
Multi-County Fund - Debt Service (KRS 42.4588)				14,527,800	14,527,800		14,551,500	14,551,500	
TOTAL				14,527,800	14,527,800		14,551,500	14,551,500	

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LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House concurs with the Branch.

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LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Local Government Economic Development Fund, Multi-County Fund, in the amount of \$14,527,800 in fiscal year 2009 and \$14,551,500 in fiscal year 2010 for debt service on prior year Infrastructure for Economic Development Fund for Coal Producing Counties Bond Funded projects.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Coal Severance Tax Collections Calculations and Transfers: The above appropriations from the General Fund are based on the official estimate presented by the Office of State Budget Director for coal severance tax collections during the biennium, distributed in accordance with KRS 42.450 to 42.495."

"Kentucky Workers' Compensation Funding Commission: Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the Kentucky Workers' Compensation Funding Commission in fiscal year 2008-2009 and fiscal year 2009-2010."

"Osteopathic Medicine Scholarship Program: The transfer of moneys from the General Fund to the Local Government Economic Development Fund shall be made after the transfer to the Osteopathic Medicine Scholarship Program has been made pursuant to KRS 164.7891(11) and (12) in the amount of \$854,400 in fiscal year 2008-2009 and \$854,400 in fiscal year 2009-2010 within the Kentucky Higher Education Assistance Authority."

"Trover Clinic Grant: Notwithstanding KRS 42.4582 and 42.4585, the quarterly calculation and transfer of the funds shall be made

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LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

only after each quarterly installment of the annual appropriation of \$1,000,000 in fiscal year 2008-2009 and \$1,000,000 in fiscal year 2009-2010 has been credited to the Trover Clinic Grant within the Governor's Office for Local Development."

"Pharmacy Scholarship Fund: Notwithstanding KRS 164.7901(11) to (13), no funds shall be transferred to the Pharmacy Scholarship Program Fund within the Kentucky Higher Education Assistance Authority in fiscal year 2008-2009 and fiscal year 2009-2010."

"School Facilities Construction Commission - 2002-2004: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund in fiscal year 2008-2009 shall be made only after funds totaling \$4,617,900, and in fiscal year 2009-2010 shall be made only after funds totaling \$4,617,900, are appropriated as General Fund moneys to the School Facilities Construction Commission to provide debt service to support previously authorized bonds."

"Water and Sewer Resources Development Fund for Coal-Producing Counties - 2002-2004: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$4,091,400 in fiscal year 2008-2009 and \$4,091,400 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Finance and Administration Cabinet, Debt Service budget unit, to provide General Fund debt service to support previously authorized bonds for the Water and Sewer Resources Development Fund for Coal-Producing Counties."

"Infrastructure for Economic Development Fund for Coal-Producing Counties - 2006-2008: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$1,071,400 in fiscal year 2008-2009 and \$1,074,800 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Finance and Administration Cabinet, Debt Service budget unit, to provide General Fund debt service to support previously authorized bonds for the Infrastructure for Economic Development Fund for Coal-Producing Counties."

"Infrastructure for Economic Development Fund for Coal-Producing Counties - 2008-2010: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$4,420,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Kentucky Infrastructure Authority budget unit, to provide General Fund debt service to support newly authorized bonds for the Water and Sewer Resources Development Fund for Coal-Producing Counties."

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LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

"Read to Achieve: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$4,000,000 in fiscal year 2008-2009 and \$4,000,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Learning and Results Services budget unit for the Read to Achieve Program within the Department of Education."

"Flood Control Matching Pool: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$800,000 in fiscal year 2008-2009 and \$800,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Governor's Office for Local Development for the Flood Control Matching Pool."

"Mine Safety: Notwithstanding KRS 45.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$3,000,000 in fiscal year 2008-2009 and \$3,000,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Mine Safety and Licensing budget unit."

"Kentucky Infrastructure Authority: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$370,000 in fiscal year 2008-2009 and \$370,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Kentucky Infrastructure Authority."

"Governor's Office for Local Development: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$669,700 in fiscal year 2008-2009 and \$669,700 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Community Development Office in the Governor's Office for Local Development."

"Mining Engineering Scholarship Program: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$200,000 in fiscal year 2008-2009 and \$200,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the University of Kentucky budget unit for the Mining Engineering Scholarship Program."

"KIA Infrastructure for Economic Development Fund for Coal-Producing Counties - 2004-2006: Notwithstanding KRS

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LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

42.4588, funds totaling \$7,028,200 in fiscal year 2008-2009 and \$7,028,200 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the General Fund to be used by the Finance and Administration Cabinet, Debt Service budget unit, to support previously authorized bonds for the Infrastructure for Economic Development Fund for Coal-Producing Counties Bond Pool."

"Drug Courts: Notwithstanding KRS 42.4588, \$1,800,000 in fiscal year 2008-2009 and \$1,800,000 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Drug Court Program in the Office of Drug Control Policy, Justice Administration budget unit."

"Operation Unite: Notwithstanding KRS 42.4588, funds totaling \$1,250,000 in fiscal year 2008-2009 and \$1,250,000 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Office of Drug Control Policy, Justice and Administration budget unit, for Operation Unite in relation to the Federal Task Force on Drug Abuse."

"Tourism Marketing Program: Notwithstanding KRS 42.4588, \$1,000,000 in fiscal year 2008-2009 and \$1,000,000 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Tourism budget unit within the Commerce Cabinet for the Tourism Marketing Program."

"Energy Research and Development Fund: Notwithstanding KRS 42.4588, \$3,500,000 in fiscal year 2008-2009 and \$3,500,000 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Office of Energy Policy budget unit. These funds shall be used for research projects relating to clean coal, new combustion technology, thin-seam coal extraction research, synthetic natural gas produced from coal through gasification processes, and the development of alternative transportation fuels produced by processes that convert coal or biomass resources or extract oil from oil shale and shall be targeted solely to Kentucky's Local Government Economic Development Fund-eligible counties. The Office of Energy Policy shall coordinate its efforts with those of Kentucky's universities and related Kentucky Community and Technical College System programs in order to maximize Kentucky's opportunities for federal funding and receive research grants and awards from federal and other sources of funding for the development of clean coal technology, coal-to-liquid-fuel conversion, alternate transportation fuels, and biomass energy resources."

"KIA Infrastructure for Economic Development Fund for Coal-Producing Counties - 2006-2008: Notwithstanding KRS 42.4588, funds totaling \$7,499,600 in fiscal year 2008-2009 and \$7,523,300 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the General Fund to be used by the Finance and Administration Cabinet, Debt Service budget unit, to support previously authorized bonds for the Infrastructure for Economic

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LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

Development Fund for Coal-Producing Counties Bond Pool."

"Debt Service: All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there are sufficient moneys available to be transferred from coal severance tax-supported funding program accounts to other accounts of the General Fund."

"Parameters for County Flexibility: Notwithstanding KRS 42.4588(2), Local Government Economic Development Fund allocations may be used to support the nonrecurring investments in public health and safety, economic development, public infrastructure, information technology development and access, and public water and wastewater development, with the concurrence of both the respective fiscal court and the Governor's Office for Local Development or the Kentucky Infrastructure Authority, as appropriate."

"Kentucky Wood Products Competitiveness Corporation: Notwithstanding KRS 42.4586, no funds shall be transferred to the Secondary Wood Products Development Fund."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$2,500,000 in each fiscal year for the Read to Achieve Program.

The House increases General Fund support totaling \$100,000 in each fiscal year for the Mining Engineering Scholarship Program.

The House does not provide General Fund support for Mine Safety in this budget unit. Support for Mine Safety will be provided by a General Fund appropriation in Mine Safety and Licensing, Natural Resources and Environmental Protection Cabinet.

The House increases funding from the Multi-County Fund by \$750,000 in each fiscal year for Operation Unite.

The House provides General Fund support totaling \$2,500,000 in each fiscal year for School Technology in Coal Counties.

The House provides, from the Multi-County Fund, \$300,000 in each fiscal year, for the 12 Multi-County Regional Industrial Park Authorities to be divided equally.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, language provisions relating to Read to

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LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

Achieve, the Mining Engineering Scholarship Program, Operation Unite, and Energy Research and Development to read as follows:

"Read to Achieve: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$1,500,000 in fiscal year 2008-2009 and \$1,500,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Learning and Results Services budget unit for the Read to Achieve Program within the Department of Education."

"Mining Engineering Scholarship Program: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$300,000 in fiscal year 2008-2009 and \$300,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the University of Kentucky budget unit for the Mining Engineering Scholarship Program."

"Operation Unite: Notwithstanding KRS 42.4588, funds totaling \$2,000,000 in fiscal year 2008-2009 and \$2,000,000 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Office of Drug Control Policy, Justice and Administration budget unit, for Operation Unite in relation to the Federal Task Force on Drug Abuse."

"Energy Research and Development Fund: Notwithstanding KRS 42.4588, \$3,500,000 in fiscal year 2008-2009 and \$3,500,000 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Office of Energy Policy budget unit. These funds shall be used for research projects relating to clean coal, new combustion technology, coal extraction, synthetic natural gas produced from coal through gasification processes, and the development of alternative transportation fuels produced by processes that convert coal or biomass resources or extract oil from oil shale, and other coal research, and shall be targeted solely to Kentucky's Local Government Economic Development Fund-eligible counties. The Office of Energy Policy shall coordinate its efforts with those of Kentucky's universities and related Kentucky Community and Technical College System programs in order to maximize Kentucky's opportunities for federal funding and receive research grants and awards from federal and other sources of funding for the development of clean coal technology, coal-to-liquid-fuel conversion, alternate transportation fuels, and biomass energy resources."

The House deletes Part I, Operating Budget, language provision relating to Mine Safety.

The House adds Part I, Operating Budget, language provisions as follows:

"Coal Severance Tax Receipts: Notwithstanding 45.229, the appropriations of coal severance tax receipts made in this Act shall not

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LOCAL GOVERNMENT ECONOMIC DEVELOPMENT FUND

lapse but shall be carried forward at the end of each fiscal year."

"School Technology in Coal Counties: Notwithstanding KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing counties through the Local Government Economic Development Fund shall be made only after each quarterly installment of the annual appropriation of \$2,500,000 in fiscal year 2008-2009 and \$2,500,000 in fiscal year 2009-2010 is appropriated as General Fund moneys to the Office of Operations and Support Services budget unit within the Department of Education as set forth in Part I, D., 2., of this Act for the purpose of enhancing education technology in local school districts within coal-producing counties."

"Support of the 12 Multi-County Regional Industrial Park Authorities: Notwithstanding KRS 42.4588, funds totaling \$300,000 in fiscal year 2008-2009 and \$300,000 in fiscal year 2009-2010 shall be transferred from the Local Government Economic Development Fund, Multi-County Fund, to the Governor's Office for Local Development to be distributed equally to the 12 Multi-County regional industrial park authorities located in coal counties to be used for marketing and maintenance of the industrial parks and for procurement of property and casualty insurance on the parks."

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BUDGET MODIFICATION REPORT**

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AREA DEVELOPMENT FUND

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Appropriation Limit: Notwithstanding KRS 48.185, funds recommended from the General Fund for the Area Development Fund shall be limited to these amounts."

HOUSE REPORT

The House concurs with the Branch.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Executive Branch Ethics Commission

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	448,500	448,500		448,500	448,500		448,500	448,500	
Restricted Funds	50,000	50,000		46,000	46,000		46,000	46,000	
Regular Total Funds	498,500	498,500		494,500	494,500		494,500	494,500	
Use of Continuing									
TOTAL FUNDS	498,500	498,500		494,500	494,500		494,500	494,500	
II. EXPENDITURE CATEGORY									
Personnel Costs	439,800	439,800		435,800	435,800		435,800	435,800	
Operating Expenses	58,700	58,700		58,700	58,700		58,700	58,700	
TOTAL EXPENDITURES	498,500	498,500		494,500	494,500		494,500	494,500	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	448,500	448,500		426,900	426,900		426,900	426,900	
Restricted Funds	50,000	50,000		46,000	46,000		46,000	46,000	
Regular Total Funds	498,500	498,500		472,900	472,900		472,900	472,900	
Use of Continuing									
TOTAL BASE LEVEL	498,500	498,500		472,900	472,900		472,900	472,900	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				21,600	21,600		21,600	21,600	
TOTAL ADDITIONAL				21,600	21,600		21,600	21,600	
V. ADDITIONAL BUDGET ITEMS									
1 GB	Part-Time Filled Position								
ABR354A0001	Provides general fund to support 1 part-time filled position.								
General Fund				21,600	21,600		21,600	21,600	
Project Total				21,600	21,600		21,600	21,600	
TOTAL ADDITIONAL				21,600	21,600		21,600	21,600	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

EXECUTIVE BRANCH ETHICS COMMISSION

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House concurs with the Branch.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Secretary of State

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,329,500	2,329,500		2,050,000	2,050,000		2,050,000	2,050,000	
Restricted Funds	803,000	803,000		897,000	897,000		961,000	961,000	
Regular Total Funds	3,132,500	3,132,500		2,947,000	2,947,000		3,011,000	3,011,000	
Use of Continuing									
TOTAL FUNDS	3,132,500	3,132,500		2,947,000	2,947,000		3,011,000	3,011,000	
II. EXPENDITURE CATEGORY									
Personnel Costs	2,431,000	2,431,000		2,256,600	2,256,600		2,322,900	2,322,900	
Operating Expenses	701,500	701,500		690,400	690,400		688,100	688,100	
TOTAL EXPENDITURES	3,132,500	3,132,500		2,947,000	2,947,000		3,011,000	3,011,000	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,329,500	2,329,500		2,050,000	2,050,000		2,050,000	2,050,000	
Restricted Funds	803,000	803,000		897,000	507,000	(390,000)	961,000	961,000	
Regular Total Funds	3,132,500	3,132,500		2,947,000	2,557,000	(390,000)	3,011,000	3,011,000	
Use of Continuing									
TOTAL BASE LEVEL	3,132,500	3,132,500		2,947,000	2,557,000	(390,000)	3,011,000	3,011,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds					390,000	390,000			
TOTAL ADDITIONAL					390,000	390,000			
V. ADDITIONAL BUDGET ITEMS									
1 GB	General Operations - Redacting Service								
ABR120E0003	Provides authorization to use one-time restricted carry-forward funds to redact documents before publication on the World Wide Web.								
Restricted Funds					390,000	390,000			
Project Total					390,000	390,000			
TOTAL ADDITIONAL					390,000	390,000			

TRANSFERS TO THE GENERAL FUND

Secretary of State

Agency Revenue Fund (KRS 14.140)	1,347,000	1,347,000	1,347,000	1,347,000
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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****Secretary of State**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TOTAL				1,347,000	1,347,000		1,347,000	1,347,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

SECRETARY OF STATE

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Use of Restricted Funds: Notwithstanding KRS 141.140(1) and (3), the above Restricted Funds may be used for the continuation of current activities within the Office of the Secretary of State."

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Secretary of State, Restricted Funds of \$1,347,000 in fiscal years 2009 and 2010.

HOUSE REPORT

The House concurs with the Branch with the following change:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Redacting Service: Included in the above Restricted Funds appropriation is \$390,000 in fiscal year 2008-2009 for the purchase of a redacting service."

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Board of Elections

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	4,770,900	4,770,900		4,210,700	4,210,700		2,847,400	2,847,400	
Restricted Funds	2,500	2,500		569,400	569,400		569,300	569,300	
Federal Funds	157,800	157,800		12,241,000	12,241,000		12,241,000	12,241,000	
Regular Total Funds	4,931,200	4,931,200		17,021,100	17,021,100		15,657,700	15,657,700	
Use of Continuing									
TOTAL FUNDS	4,931,200	4,931,200		17,021,100	17,021,100		15,657,700	15,657,700	
II. EXPENDITURE CATEGORY									
Personnel Costs	972,500	972,500		992,400	992,400		1,021,200	1,021,200	
Operating Expenses	609,800	609,800		671,800	671,800		667,900	667,900	
Grants, Loans, Benefits	3,348,900	3,348,900		15,356,900	15,356,900		13,968,600	13,968,600	
TOTAL EXPENDITURES	4,931,200	4,931,200		17,021,100	17,021,100		15,657,700	15,657,700	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	4,770,900	4,770,900		4,210,700	4,210,700		2,847,400	2,847,400	
Restricted Funds	2,500	2,500		569,400	569,400		569,300	569,300	
Federal Funds	157,800	157,800		5,628,500	5,628,500		5,628,500	5,628,500	
Regular Total Funds	4,931,200	4,931,200		10,408,600	10,408,600		9,045,200	9,045,200	
Use of Continuing									
TOTAL BASE LEVEL	4,931,200	4,931,200		10,408,600	10,408,600		9,045,200	9,045,200	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Federal Funds				6,612,500	6,612,500		6,612,500	6,612,500	
TOTAL ADDITIONAL				6,612,500	6,612,500		6,612,500	6,612,500	
V. ADDITIONAL BUDGET ITEMS									
1 GB Help America Vote Act (HAVA)									
ABR185F0005	Provides funds to meet the HAVA state plan requirements, by replacing lever voting machines, voter education and poll worker training, requiring provisional ballots, and assisting with compliance of ADA. Includes interest income.								
Federal Funds				6,612,500	6,612,500		6,612,500	6,612,500	
Project Total				6,612,500	6,612,500		6,612,500	6,612,500	
TOTAL ADDITIONAL				6,612,500	6,612,500		6,612,500	6,612,500	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

BOARD OF ELECTIONS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Help America Vote Act of 2002: Amounts above those appropriated that are necessary to match Federal Funds from the Help America Vote Act shall be deemed a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund (KRS 48.705)."

"Cost of Elections: Notwithstanding KRS 116.145, the State Board of Elections shall set a rate for the fee for new voter registration paid to the county clerks within the available appropriated resources. The State Board of Elections shall also set a fixed rate for the expenses outlined in KRS 117.343 within the available appropriated resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate for the expenses outlined in KRS 117.345(2) within the available appropriated resources. These rates and all assumptions as to the number of precincts, registered voters, and new voter registrations shall be communicated to the Secretary of the Finance and Administration Cabinet and the State Budget Director by November 1, 2008, for fiscal year 2008-2009 and by November 1, 2009, for fiscal year 2009-2010.

Costs associated with special elections, KRS 117.345(2) costs associated with additional precincts, KRS 117.343 costs for additional registered voters, and KRS 116.145 costs for additional new registered voters shall be deemed a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Any reimbursements authorized as a necessary government expense according to the above provisions shall be at the same rates as those established by the State Board of Elections as provided in the above paragraph."

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

**BOARD OF ELECTIONS
HOUSE REPORT**

The House concurs with the Branch with the following change:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, language provision relating to Cost of Elections to read as follows:

"Cost of Elections: Notwithstanding KRS 116.145, the State Board of Elections shall set a rate for the fee for new voter registration paid to the county clerks within the available appropriated resources. The State Board of Elections shall also set a fixed rate for the expenses outlined in KRS 117.343 within the available appropriated resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate for the expenses outlined in KRS 117.345(2) for precincts with a voting machine within the available appropriated resources not to exceed \$300 per precinct per election. These rates and all assumptions as to the number of precincts, registered voters, and new voter registrations shall be communicated to the Secretary of the Finance and Administration Cabinet and the State Budget Director by November 1, 2008, for fiscal year 2008-2009 and by November 1, 2009, for fiscal year 2009-2010. Costs associated with special elections, KRS 117.345(2) costs associated with additional precincts with a voting machine, KRS 117.343 costs for additional registered voters, and KRS 116.145 costs for additional new registered voters shall be deemed a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Any reimbursements authorized as a necessary government expense according to the above provisions shall be at the same rates as those established by the State Board of Elections as provided in the above paragraph."

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Registry of Election Finance

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	1,470,000	1,470,000		1,347,400	1,347,400		1,382,200	1,382,200	
Regular Total Funds	1,470,000	1,470,000		1,347,400	1,347,400		1,382,200	1,382,200	
Use of Continuing									
TOTAL FUNDS	1,470,000	1,470,000		1,347,400	1,347,400		1,382,200	1,382,200	
II. EXPENDITURE CATEGORY									
Personnel Costs	1,107,300	1,107,300		1,079,800	1,079,800		1,114,500	1,114,500	
Operating Expenses	362,700	362,700		267,600	267,600		267,700	267,700	
TOTAL EXPENDITURES	1,470,000	1,470,000		1,347,400	1,347,400		1,382,200	1,382,200	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	1,470,000	1,470,000		1,347,400	1,347,400		1,382,200	1,382,200	
Regular Total Funds	1,470,000	1,470,000		1,347,400	1,347,400		1,382,200	1,382,200	
Use of Continuing									
TOTAL BASE LEVEL	1,470,000	1,470,000		1,347,400	1,347,400		1,382,200	1,382,200	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

REGISTRY OF ELECTION FINANCE

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

HOUSE REPORT

The House concurs with the Branch.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Attorney General

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	14,272,800	14,272,800		12,873,800	13,573,800	700,000	13,284,000	13,984,000	700,000
Restricted Funds	9,526,400	9,526,400		9,261,400	9,261,400		9,269,900	9,269,900	
Federal Funds	2,669,100	2,669,100		2,550,800	2,550,800		2,607,100	2,607,100	
Regular Total Funds	26,468,300	26,468,300		24,686,000	25,386,000	700,000	25,161,000	25,861,000	700,000
Use of Continuing									
TOTAL FUNDS	26,468,300	26,468,300		24,686,000	25,386,000	700,000	25,161,000	25,861,000	700,000
II. EXPENDITURE CATEGORY									
Personnel Costs	17,934,700	17,934,700		16,061,000	16,761,000	700,000	16,526,800	17,226,800	700,000
Operating Expenses	2,724,700	2,724,700		2,643,300	2,643,300		2,652,500	2,652,500	
Grants, Loans, Benefits	5,808,900	5,808,900		5,981,700	5,981,700		5,981,700	5,981,700	
TOTAL EXPENDITURES	26,468,300	26,468,300		24,686,000	25,386,000	700,000	25,161,000	25,861,000	700,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	14,272,800	14,272,800		12,873,800	13,573,800	700,000	13,284,000	13,984,000	700,000
Restricted Funds	9,526,400	9,526,400		9,027,600	9,027,600		9,023,600	9,023,600	
Federal Funds	2,669,100	2,669,100		2,509,200	2,509,200		2,509,200	2,509,200	
Regular Total Funds	26,468,300	26,468,300		24,410,600	25,110,600	700,000	24,816,800	25,516,800	700,000
Use of Continuing									
TOTAL BASE LEVEL	26,468,300	26,468,300		24,410,600	25,110,600	700,000	24,816,800	25,516,800	700,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds				233,800	233,800		246,300	246,300	
Federal Funds				41,600	41,600		97,900	97,900	
TOTAL ADDITIONAL				275,400	275,400		344,200	344,200	
V. ADDITIONAL BUDGET ITEMS									
1	DC	Defined Calculation							
ABR040ADC000 Provides funds to support the increment, retirement, and health insurance for positions supported by restricted and federal funds.									
Restricted Funds				233,800	233,800		246,300	246,300	
Federal Funds				41,600	41,600		97,900	97,900	
Project Total				275,400	275,400		344,200	344,200	
TOTAL ADDITIONAL				275,400	275,400		344,200	344,200	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Attorney General

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TRANSFERS TO THE GENERAL FUND									
Attorney General									
Other Special Revenue Fund KRS 367.964					350,000	350,000		350,000	350,000
TOTAL					350,000	350,000		350,000	350,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

ATTORNEY GENERAL

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Expert Witnesses: In addition to such funds as may be appropriated, the Office of the Attorney General may request from the Finance and Administration Cabinet, as a necessary government expense, such funds as may be necessary for expert witnesses. Upon justification of the request, the Finance and Administration Cabinet shall provide up to \$275,000 for the 2008-2010 fiscal biennium for this purpose to the Office of the Attorney General. The Office of Insurance shall provide the Office of the Attorney General any available information to assist in the preparation of a rate hearing pursuant to KRS 304.17A-095."

"Annual and Sick Leave Service Credit: Notwithstanding any statutory or regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial System who has been appointed to a permanent full-time position under KRS Chapter 18A shall be credited annual and sick leave based on service credited under the Kentucky Retirement Systems solely for the purpose of computation of sick and annual leave. This provision shall only apply to any new appointment or current employee as of July 1, 1998."

"Legal Services Contracts: The Office of the Attorney General may present proposals to state agencies specifying legal work that is presently accomplished through Personal Service Contracts that indicate the Office of the Attorney General's capacity to perform the work at a lesser cost. State agencies may agree to make arrangements with the Office of the Attorney General to perform the legal work and compensate the Office of the Attorney General for the legal services. Notwithstanding KRS Chapter 45A, the Office of the Attorney General may contract with outside law firms on a contingency basis."

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:17 am

ATTORNEY GENERAL

"Child Sexual Abuse License Plate Revenue: Notwithstanding KRS 186.162, the Transportation Cabinet shall review the costs related to the distribution of child victims' license plates. Any revenue received from the sale or renewal of those plates in excess of actual costs shall be transferred to the Child Victims' Trust Fund on an annual basis."

"Reasonable Costs of Litigation: Notwithstanding KRS 48.005(5) and (7), the Attorney General's Office may first recover its reasonable costs of litigation, and any remaining funds after consumer restitution is made shall be deposited in the General Fund Surplus Account."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House increases General Fund support totaling \$700,000 in each fiscal year to partially restore baseline funding for personnel expenses.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Compensatory Leave Conversion to Sick Leave: If the Office of the Attorney General determines that internal budgetary pressures warrant further austerity measures, the Attorney General may institute a policy to suspend payment of 50 hour blocks of compensatory time for those attorneys who have accumulated 240 hours of compensatory time and instead convert those hours to sick leave."

The House amends the State/Executive Branch Budget Bill, Part V, Funds Transfer, to include a transfer from Attorney General, Other Special Revenue Funds of \$350,000 in each fiscal year.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Attorney General**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference

II. CAPITAL PROJECTS

1 **Franklin County - Lease**

PRJ040A5000

General Fund

Project Total

TOTAL CAPITAL

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Unified Prosecutorial System Summary

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	61,301,000	61,301,000		59,967,900	65,767,900	5,800,000	61,919,600	67,219,600	5,300,000
Restricted Funds	508,300	508,300		1,788,500	1,788,500		1,861,300	1,861,300	
Federal Funds	609,700	609,700		668,000	668,000		699,000	699,000	
Regular Total Funds	62,419,000	62,419,000		62,424,400	68,224,400	5,800,000	64,479,900	69,779,900	5,300,000
Use of Continuing									
TOTAL FUNDS	62,419,000	62,419,000		62,424,400	68,224,400	5,800,000	64,479,900	69,779,900	5,300,000

II. EXPENDITURE CATEGORY

Personnel Costs	57,167,700	57,167,700		56,900,700	62,700,700	5,800,000	58,953,200	64,253,200	5,300,000
Operating Expenses	5,216,300	5,216,300		5,489,000	5,489,000		5,492,000	5,492,000	
Grants, Loans, Benefits	35,000	35,000		34,700	34,700		34,700	34,700	
TOTAL EXPENDITURES	62,419,000	62,419,000		62,424,400	68,224,400	5,800,000	64,479,900	69,779,900	5,300,000

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	61,301,000	61,301,000		59,967,900	65,767,900	5,800,000	61,919,600	67,219,600	5,300,000
Restricted Funds	508,300	508,300		620,200	620,200		613,600	613,600	
Federal Funds	609,700	609,700		576,800	576,800		589,600	589,600	
Regular Total Funds	62,419,000	62,419,000		61,164,900	66,964,900	5,800,000	63,122,800	68,422,800	5,300,000
Use of Continuing									
TOTAL BASE LEVEL	62,419,000	62,419,000		61,164,900	66,964,900	5,800,000	63,122,800	68,422,800	5,300,000

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

Restricted Funds				1,168,300	1,168,300		1,247,700	1,247,700	
Federal Funds				91,200	91,200		109,400	109,400	
TOTAL ADDITIONAL				1,259,500	1,259,500		1,357,100	1,357,100	

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Commonwealth's Attorneys

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	33,147,800	33,147,800		32,296,700	35,296,700	3,000,000	33,007,200	36,007,200	3,000,000
Restricted Funds	309,800	309,800		1,484,800	1,484,800		1,557,600	1,557,600	
Federal Funds	121,600	121,600		97,800	97,800		114,300	114,300	
Regular Total Funds	33,579,200	33,579,200		33,879,300	36,879,300	3,000,000	34,679,100	37,679,100	3,000,000
Use of Continuing									
TOTAL FUNDS	33,579,200	33,579,200		33,879,300	36,879,300	3,000,000	34,679,100	37,679,100	3,000,000
II. EXPENDITURE CATEGORY									
Personnel Costs	29,545,100	29,545,100		29,800,500	32,800,500	3,000,000	30,600,300	33,600,300	3,000,000
Operating Expenses	3,999,100	3,999,100		4,044,100	4,044,100		4,044,100	4,044,100	
Grants, Loans, Benefits	35,000	35,000		34,700	34,700		34,700	34,700	
TOTAL EXPENDITURES	33,579,200	33,579,200		33,879,300	36,879,300	3,000,000	34,679,100	37,679,100	3,000,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	33,147,800	33,147,800		32,296,700	35,296,700	3,000,000	33,007,200	36,007,200	3,000,000
Restricted Funds	309,800	309,800		316,500	316,500		309,900	309,900	
Federal Funds	121,600	121,600		88,700	88,700		101,500	101,500	
Regular Total Funds	33,579,200	33,579,200		32,701,900	35,701,900	3,000,000	33,418,600	36,418,600	3,000,000
Use of Continuing									
TOTAL BASE LEVEL	33,579,200	33,579,200		32,701,900	35,701,900	3,000,000	33,418,600	36,418,600	3,000,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds				1,168,300	1,168,300		1,247,700	1,247,700	
Federal Funds				9,100	9,100		12,800	12,800	
TOTAL ADDITIONAL				1,177,400	1,177,400		1,260,500	1,260,500	
V. ADDITIONAL BUDGET ITEMS									
1	DC	Defined Calculation							
ABR030ADC000 Provides funds to support the increment, retirement, and health insurance for positions supported by restricted and federal funds.									
Restricted Funds				14,000	14,000		20,600	20,600	
Federal Funds				9,100	9,100		12,800	12,800	
Project Total				23,100	23,100		33,400	33,400	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****Commonwealth's Attorneys**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2 NEW Other Grants								
ABR030A0009 Establish a restricted fund account for grants that are administered in off-budget accounts.								
Restricted Funds			1,154,300	1,154,300		1,227,100	1,227,100	
Project Total			1,154,300	1,154,300		1,227,100	1,227,100	
TOTAL ADDITIONAL			1,177,400	1,177,400		1,260,500	1,260,500	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:18 am

COMMONWEALTH'S ATTORNEYS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Prosecutors Advisory Council Administrative Functions: The Prosecutors Advisory Council shall approve compensation for employees of the Unified Prosecutorial System subject to the appropriations in this Act."

HOUSE REPORT

The House concurs with the Branch with the following change:

The House increases General Fund support totaling \$3,000,000 in each fiscal year to partially restore baseline funding for personnel expenses.

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Commonwealth's Attorneys**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference

II. CAPITAL PROJECTS

1 **Jefferson County - Lease**

PRJ030A5000

General Fund

Project Total

TOTAL CAPITAL

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

County Attorneys

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	28,153,200	28,153,200		27,671,200	30,471,200	2,800,000	28,912,400	31,212,400	2,300,000
Restricted Funds	198,500	198,500		303,700	303,700		303,700	303,700	
Federal Funds	488,100	488,100		570,200	570,200		584,700	584,700	
Regular Total Funds	28,839,800	28,839,800		28,545,100	31,345,100	2,800,000	29,800,800	32,100,800	2,300,000
Use of Continuing									
TOTAL FUNDS	28,839,800	28,839,800		28,545,100	31,345,100	2,800,000	29,800,800	32,100,800	2,300,000
II. EXPENDITURE CATEGORY									
Personnel Costs	27,622,600	27,622,600		27,100,200	29,900,200	2,800,000	28,352,900	30,652,900	2,300,000
Operating Expenses	1,217,200	1,217,200		1,444,900	1,444,900		1,447,900	1,447,900	
TOTAL EXPENDITURES	28,839,800	28,839,800		28,545,100	31,345,100	2,800,000	29,800,800	32,100,800	2,300,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	28,153,200	28,153,200		27,671,200	30,471,200	2,800,000	28,912,400	31,212,400	2,300,000
Restricted Funds	198,500	198,500		303,700	303,700		303,700	303,700	
Federal Funds	488,100	488,100		488,100	488,100		488,100	488,100	
Regular Total Funds	28,839,800	28,839,800		28,463,000	31,263,000	2,800,000	29,704,200	32,004,200	2,300,000
Use of Continuing									
TOTAL BASE LEVEL	28,839,800	28,839,800		28,463,000	31,263,000	2,800,000	29,704,200	32,004,200	2,300,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Federal Funds				82,100	82,100		96,600	96,600	
TOTAL ADDITIONAL				82,100	82,100		96,600	96,600	
V. ADDITIONAL BUDGET ITEMS									
1 DC	Defined Calculation								
ABR030BDC000 Provides funds to support the increment, retirement, and health insurance for positions supported by federal funds.									
Federal Funds				82,100	82,100		96,600	96,600	
Project Total				82,100	82,100		96,600	96,600	
TOTAL ADDITIONAL				82,100	82,100		96,600	96,600	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:18 am

COUNTY ATTORNEYS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Prosecutors Advisory Council Administrative Functions: The Prosecutors Advisory Council shall approve compensation for employees of the Unified Prosecutorial System subject to the appropriations in this Act."

HOUSE REPORT

The House concurs with the Branch with the following change:

The House increases General Fund support totaling \$2,800,000 in fiscal year 2008-2009 and \$2,300,000 in fiscal year 2009-2010 to partially restore baseline funding for personnel expenses.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Treasury

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,190,400	2,190,400		1,927,600	1,927,600		1,927,600	1,927,600	
Restricted Funds	738,000	738,000		785,300	785,300		801,100	801,100	
Road Fund	250,000	250,000		250,000	250,000		250,000	250,000	
Regular Total Funds	3,178,400	3,178,400		2,962,900	2,962,900		2,978,700	2,978,700	
Use of Continuing									
TOTAL FUNDS	3,178,400	3,178,400		2,962,900	2,962,900		2,978,700	2,978,700	
II. EXPENDITURE CATEGORY									
Personnel Costs	2,517,700	2,517,700		2,334,600	2,334,600		2,350,000	2,350,000	
Operating Expenses	660,700	660,700		628,300	628,300		628,700	628,700	
TOTAL EXPENDITURES	3,178,400	3,178,400		2,962,900	2,962,900		2,978,700	2,978,700	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,190,400	2,190,400		1,927,600	1,927,600		1,927,600	1,927,600	
Restricted Funds	738,000	738,000		785,300	785,300		801,100	801,100	
Road Fund	250,000	250,000		250,000	250,000		250,000	250,000	
Regular Total Funds	3,178,400	3,178,400		2,962,900	2,962,900		2,978,700	2,978,700	
Use of Continuing									
TOTAL BASE LEVEL	3,178,400	3,178,400		2,962,900	2,962,900		2,978,700	2,978,700	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:18 am

TREASURY

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Unclaimed Property Fund: Included in the above Restricted Funds appropriation is a recurring transfer from the Unclaimed Property Fund. In each respective fiscal year of the 2008-2010 biennium, \$785,300 and \$801,100 is appropriated to provide funding for services performed by the Unclaimed Property Division of the Department of Treasury."

HOUSE REPORT

The House concurs with the Branch.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Capital Budget

Treasury

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Investment Income				141,000	141,000		141,000	141,000	
TOTAL CAPITAL				141,000	141,000		141,000	141,000	
II. CAPITAL PROJECTS									
1	Lease-Purchase of Xerox Laser Printers								
PRJ125D1614									
Investment Income				141,000	141,000		141,000	141,000	
Project Total				141,000	141,000		141,000	141,000	
TOTAL CAPITAL				141,000	141,000		141,000	141,000	

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Agriculture

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	21,318,500	21,318,500		19,958,700	20,108,700	150,000	21,172,200	21,369,200	197,000
Restricted Funds	7,673,900	7,673,900		6,351,000	6,351,000		5,625,100	5,625,100	
Federal Funds	5,089,200	5,089,200		4,765,800	4,765,800		4,706,800	4,706,800	
Regular Total Funds	34,081,600	34,081,600		31,075,500	31,225,500	150,000	31,504,100	31,701,100	197,000
Use of Continuing	402,900	402,900							
TOTAL FUNDS	34,484,500	34,484,500		31,075,500	31,225,500	150,000	31,504,100	31,701,100	197,000
II. EXPENDITURE CATEGORY									
Personnel Costs	19,229,800	19,229,800		17,856,400	17,956,400	100,000	18,420,400	18,520,400	100,000
Operating Expenses	6,724,500	6,724,500		6,182,500	6,182,500		6,093,800	6,093,800	
Grants, Loans, Benefits	5,950,100	5,950,100		5,104,400	5,154,400	50,000	4,834,700	4,884,700	50,000
Debt Service							223,000	270,000	47,000
Capital Outlay	2,580,100	2,580,100		1,932,200	1,932,200		1,932,200	1,932,200	
TOTAL EXPENDITURES	34,484,500	34,484,500		31,075,500	31,225,500	150,000	31,504,100	31,701,100	197,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	21,318,500	21,318,500		19,197,900	19,197,900		20,154,300	20,154,300	
Restricted Funds	7,673,900	7,673,900		6,225,500	6,225,500		5,489,800	5,489,800	
Federal Funds	5,089,200	5,089,200		4,765,800	4,765,800		4,706,800	4,706,800	
Regular Total Funds	34,081,600	34,081,600		30,189,200	30,189,200		30,350,900	30,350,900	
Use of Continuing	402,900	402,900							
TOTAL BASE LEVEL	34,484,500	34,484,500		30,189,200	30,189,200		30,350,900	30,350,900	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				760,800	910,800	150,000	1,017,900	1,214,900	197,000
Restricted Funds				125,500	125,500		135,300	135,300	
TOTAL ADDITIONAL				886,300	1,036,300	150,000	1,153,200	1,350,200	197,000
V. ADDITIONAL BUDGET ITEMS									
1 GB	Motor Fuel Inspection - vacant positions								
ABR035W0002	Provides funds for 16 vacant positions in the motor fuel inspection area.								
General Fund				667,300	667,300		694,200	694,200	
Project Total				667,300	667,300		694,200	694,200	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Agriculture

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2 GB Consumer and Environmental Program - vacant positions								
ABR035W0004 Provides funds for 3 vacant positions in the Consumer and Environmental Program.								
General Fund			93,500	93,500		100,700	100,700	
Restricted Funds			125,500	125,500		135,300	135,300	
Project Total			219,000	219,000		236,000	236,000	
3 GB Additional Personnel								
ABR035W0011 Provides funds to support additional inspectors and increased staff training.								
General Fund				100,000	100,000		100,000	100,000
Project Total				100,000	100,000		100,000	100,000
4 EXPAN County Fairs								
ABR035W0009 Provides funds to increase capital improvement grants to county fairs.								
General Fund				50,000	50,000		50,000	50,000
Project Total				50,000	50,000		50,000	50,000
5 NEW Animal Shelters								
ABR035W0022 Provides funds for debt service in FY2009-2010								
General Fund						223,000	270,000	47,000
Project Total						223,000	270,000	47,000
TOTAL ADDITIONAL			886,300	1,036,300	150,000	1,153,200	1,350,200	197,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:18 am

AGRICULTURE

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Purchase of Agricultural Conservation Easement (PACE) Program: The PACE board may contract directly with land surveyors, real estate appraisers, and other licensed professionals as necessary. The Department of Agriculture may receive funds from local and private sources to match Federal Funds for the Purchase of Agricultural Conservation Easement (PACE) Program."

"Metrology Lab Operating Fees: The Department of Agriculture may promulgate administrative regulations establishing license fees, testing fees, and any other fees necessary to operate and maintain a metrology lab in the Department of Agriculture. These Restricted Funds receipts shall be utilized for personnel and operations of the metrology lab."

"Debt Service: Included in the above General Fund appropriation is \$223,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House provides additional General Fund support of \$47,000 in fiscal year 2009-2010 for debt service to support additional bonds as set forth in Part II, Capital Projects Budget.

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT

3/13/08 11:18 am

AGRICULTURE

The House amends the State/Executive Branch Budget Bill, Part II, Capital Budget, to include an additional \$500,000 in bonds for animal shelters in fiscal year 2008-2009.

The House adds Part I, Operating Budget, language provision as follows:

"Amusement Rides and Attractions Inspectors: To provide for the highest level of public safety, the Department of Agriculture shall allocate sufficient resources for inspectors of amusement rides and attractions."

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Agriculture**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Bond Funds				2,500,000	3,000,000	500,000			
TOTAL CAPITAL				2,500,000	3,000,000	500,000			
II. CAPITAL PROJECTS									
1	Animal Shelters								
PRJ035W1597									
Bond Funds				2,500,000	3,000,000	500,000			
Project Total				2,500,000	3,000,000	500,000			
2	Franklin County - Lease								
PRJ035W5000									
General Fund									
Project Total									
TOTAL CAPITAL				2,500,000	3,000,000	500,000			

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A - General Government

Operating Budget

Auditor of Public Accounts

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	5,844,900	5,844,900		5,369,800	5,369,800		5,660,300	5,660,300	
Restricted Funds	4,379,900	4,379,900		4,266,700	4,266,700		4,266,700	4,266,700	
Regular Total Funds	10,224,800	10,224,800		9,636,500	9,636,500		9,927,000	9,927,000	
Use of Continuing									
TOTAL FUNDS	10,224,800	10,224,800		9,636,500	9,636,500		9,927,000	9,927,000	
II. EXPENDITURE CATEGORY									
Personnel Costs	9,048,700	9,048,700		8,583,200	8,583,200		8,872,900	8,872,900	
Operating Expenses	1,176,100	1,176,100		1,053,300	1,053,300		1,054,100	1,054,100	
TOTAL EXPENDITURES	10,224,800	10,224,800		9,636,500	9,636,500		9,927,000	9,927,000	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	5,844,900	5,844,900		5,369,800	5,369,800		5,660,300	5,660,300	
Restricted Funds	4,379,900	4,379,900		4,266,700	4,266,700		4,266,700	4,266,700	
Regular Total Funds	10,224,800	10,224,800		9,636,500	9,636,500		9,927,000	9,927,000	
Use of Continuing									
TOTAL BASE LEVEL	10,224,800	10,224,800		9,636,500	9,636,500		9,927,000	9,927,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:18 am

AUDITOR OF PUBLIC ACCOUNTS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Auditor's Scholarships: Notwithstanding KRS 43.200, no funding is provided for Auditor's scholarships."

"Audit Services Contracts: No state agency shall enter into any contract with a nongovernmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within 30 days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit."

"Audit Records and Status Reports: The Auditor of Public Accounts shall report in writing each 60 days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits. The Auditor of Public Accounts shall maintain a record of all time and expenses for each audit or investigation."

"Compensatory Leave Conversion to Sick Leave: If the Auditor of Public Accounts determines that internal budgetary pressures warrant further austerity measures, the State Auditor may institute a policy to suspend payment of 50 hour blocks of compensatory time for those auditors who have accumulated 240 hours of compensatory time and instead convert those hours to sick leave."

"Charges for Federal, State, and Local Audits: Any additional expense incurred by the Auditor of Public Accounts for auditing Federal Funds shall be charged to the audited agency. The Auditor of Public Accounts may increase the audit fees for conducting

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AUDITOR OF PUBLIC ACCOUNTS

county audits if additional revenues are needed to continue the operation of the office. The Auditor of Public Accounts shall maintain a record of all costs and expenditures associated with this provision.

If a county government is delinquent in its payment to the Auditor of Public Accounts, the Finance and Administration Cabinet shall withhold any moneys due that county government until the Auditor of Public Accounts has received full payment from the county.

Any expenses incurred by the Auditor of Public Accounts for auditing a state or local government agency shall be charged to the agency or entity audited.

Any expenses incurred by the Auditor of Public Accounts for auditing individual governmental entities when mandated by a legislative committee shall be charged to the agency or entity receiving audit services."

HOUSE REPORT

The House concurs with the Branch.

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Personnel Board

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	767,100	767,100		740,700	740,700		793,800	793,800	
Regular Total Funds	767,100	767,100		740,700	740,700		793,800	793,800	
Use of Continuing									
TOTAL FUNDS	767,100	767,100		740,700	740,700		793,800	793,800	
II. EXPENDITURE CATEGORY									
Personnel Costs	674,500	674,500		647,400	647,400		661,900	661,900	
Operating Expenses	92,600	92,600		93,300	93,300		131,900	131,900	
TOTAL EXPENDITURES	767,100	767,100		740,700	740,700		793,800	793,800	
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	767,100	767,100		740,700	740,700		755,800	755,800	
Regular Total Funds	767,100	767,100		740,700	740,700		755,800	755,800	
Use of Continuing									
TOTAL BASE LEVEL	767,100	767,100		740,700	740,700		755,800	755,800	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds							38,000	38,000	
TOTAL ADDITIONAL							38,000	38,000	
V. ADDITIONAL BUDGET ITEMS									
1 NEW 2010 Personnel Board Employee Member Election									
ABR268A0002 Provides funds for the election of 2 merit employees to the Personnel Board.									
Restricted Funds							38,000	38,000	
Project Total							38,000	38,000	
TOTAL ADDITIONAL							38,000	38,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

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PERSONNEL BOARD

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Personnel Board Operating Assessment: Each agency of the Executive Branch with employees covered by KRS Chapter 18A shall be assessed each fiscal year the amount required for the operation of the Personnel Board. The agency assessment shall be determined by the Secretary of the Finance and Administration Cabinet based on the authorized full-time positions of each agency on July 1 of each year of the biennium. The Secretary of the Finance and Administration Cabinet shall collect the assessment."

HOUSE REPORT

The House concurs with the Branch with the following change:

The House adds a Part I, Operating Budget, language provision as follows:

"Special Assessment: As a result of increased workload or for other reasons in the best interest of the State Merit System, the Chairman of the Personnel Board may request a special assessment to adequately provide for the financial needs and operations of the Personnel Board. Any special assessment for Personnel Board operations shall receive the prior approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet. Should a special assessment be approved, it shall be uniformly implemented with the same procedures as the regular Personnel Board Operating Assessment."

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Kentucky Retirement Systems

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	24,253,100	24,253,100		23,905,600	25,905,600	2,000,000	24,725,500	26,725,500	2,000,000
Regular Total Funds	24,253,100	24,253,100		23,905,600	25,905,600	2,000,000	24,725,500	26,725,500	2,000,000
Use of Continuing									
TOTAL FUNDS	24,253,100	24,253,100		23,905,600	25,905,600	2,000,000	24,725,500	26,725,500	2,000,000
II. EXPENDITURE CATEGORY									
Personnel Costs	19,269,400	19,269,400		19,161,700	20,661,700	1,500,000	19,866,600	21,366,600	1,500,000
Operating Expenses	4,174,300	4,174,300		4,243,900	4,743,900	500,000	4,208,900	4,708,900	500,000
Capital Outlay	809,400	809,400		500,000	500,000		650,000	650,000	
TOTAL EXPENDITURES	24,253,100	24,253,100		23,905,600	25,905,600	2,000,000	24,725,500	26,725,500	2,000,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	24,253,100	24,253,100		23,905,600	23,905,600		24,725,500	24,725,500	
Regular Total Funds	24,253,100	24,253,100		23,905,600	23,905,600		24,725,500	24,725,500	
Use of Continuing									
TOTAL BASE LEVEL	24,253,100	24,253,100		23,905,600	23,905,600		24,725,500	24,725,500	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds					2,000,000	2,000,000		2,000,000	2,000,000
TOTAL ADDITIONAL					2,000,000	2,000,000		2,000,000	2,000,000
V. ADDITIONAL BUDGET ITEMS									
1 GB START Project Implementation									
ABR100H0003 Provides funds to support the additional operating cost required by the new technology capital project previously approved.									
Restricted Funds					2,000,000	2,000,000		2,000,000	2,000,000
Project Total					2,000,000	2,000,000		2,000,000	2,000,000
TOTAL ADDITIONAL					2,000,000	2,000,000		2,000,000	2,000,000

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KENTUCKY RETIREMENT SYSTEMS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Dependent Subsidy for Retirees - Kentucky Employee Retirement System: From July 1, 2008, through June 30, 2010, in addition to the benefits conferred under KRS 61.702, a recipient of a nonhazardous monthly retirement allowance shall also be eligible for the dependent subsidy as provided under the terms established by the State Group Health Insurance Program."

"Dependent Subsidy for Retirees - County Employees Retirement System : From July 1, 2008, through June 30, 2010, in addition to the benefits conferred under KRS 61.702, a recipient of a nonhazardous monthly retirement allowance shall also be eligible for the dependent subsidy as provided under the terms established by the State Group Health Insurance Program."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House modifies the Part I, Operating Budget, language provisions as follows:

"Dependent Subsidy for Retirees - Kentucky Employee Retirement System: From January 1, 2008, through June 30, 2010, in addition to the benefits conferred under KRS 61.702, a recipient of a nonhazardous monthly retirement allowance shall also be eligible for the dependent subsidy as provided under the terms established by the State Group Health Insurance Program. The

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KENTUCKY RETIREMENT SYSTEMS

dependent subsidy conferred to recipients of a nonhazardous monthly retirement allowance shall not be considered as a benefit protected by the inviolable contract provisions of KRS 61.692, 16.652 and 78.852."

"Dependent Subsidy for Retirees - County Employees Retirement System : From January 1, 2008, through June 30, 2010, in addition to the benefits conferred under KRS 61.702, a recipient of a nonhazardous monthly retirement allowance shall also be eligible for the dependent subsidy as provided under the terms established by the State Group Health Insurance Program. The dependent subsidy conferred to recipients of a nonhazardous monthly retirement allowance shall not be considered as a benefit protected by the inviolable contract provisions of KRS 61.692, 16.652 and 78.852."

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Kentucky Retirement Systems**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				2,700,000	2,700,000				
TOTAL CAPITAL				2,700,000	2,700,000				
II. CAPITAL PROJECTS									
1	Kentucky Retirement Systems Line of Business Project - Additional								
PRJ100H1348									
Restricted Funds				2,700,000	2,700,000				
Project Total				2,700,000	2,700,000				
2	Franklin County - Lease - Perimeter Park West								
PRJ100H5000									
Restricted Funds									
Project Total									
TOTAL CAPITAL				2,700,000	2,700,000				

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Boards and Commissions

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	19,534,100	19,534,100		19,739,200	19,739,200		19,959,300	19,959,300	
Regular Total Funds	19,534,100	19,534,100		19,739,200	19,739,200		19,959,300	19,959,300	
Use of Continuing									
TOTAL FUNDS	19,534,100	19,534,100		19,739,200	19,739,200		19,959,300	19,959,300	
II. EXPENDITURE CATEGORY									
Personnel Costs	14,032,600	14,032,600		14,590,400	14,590,400		14,876,200	14,876,200	
Operating Expenses	4,637,800	4,637,800		4,472,600	4,472,600		4,407,000	4,407,000	
Grants, Loans, Benefits	757,800	757,800		600,300	600,300		600,300	600,300	
Capital Outlay	105,900	105,900		75,900	75,900		75,800	75,800	
TOTAL EXPENDITURES	19,534,100	19,534,100		19,739,200	19,739,200		19,959,300	19,959,300	
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	19,490,800	19,490,800		18,968,800	18,968,800		19,209,200	19,209,200	
Regular Total Funds	19,490,800	19,490,800		18,968,800	18,968,800		19,209,200	19,209,200	
Use of Continuing									
TOTAL BASE LEVEL	19,490,800	19,490,800		18,968,800	18,968,800		19,209,200	19,209,200	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds	43,300	43,300		770,400	770,400		750,100	750,100	
TOTAL ADDITIONAL	43,300	43,300		770,400	770,400		750,100	750,100	
V. ADDITIONAL BUDGET ITEMS									
1 GB Board of Auctioneers - Operating									
ABR155A0001 Provides funds to support operating costs for printing, postage, and computers.									
Restricted Funds				28,700	28,700		8,400	8,400	
Project Total				28,700	28,700		8,400	8,400	
2 GB Board of Barbering - Re-instate Vacant Position									
ABR165A0001 Provides funds for 1 other vacant position.									
Restricted Funds				3,300	3,300		3,300	3,300	
Project Total				3,300	3,300		3,300	3,300	
3 GB Board of Chiropractic Examiners - Salary Adjustments									
ABR170A0001 Provides funds to support salary adjustments due to position changes.									
Restricted Funds				43,000	43,000		43,000	43,000	
Project Total				43,000	43,000		43,000	43,000	

A - General Government**Operating Budget****Boards and Commissions**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
4 GB Board of Professional Counselors - Legal Services								
ABR172A0001 Provides additional support for legal services.								
Restricted Funds			5,300	5,300		5,300	5,300	
Project Total			5,300	5,300		5,300	5,300	
5 GB Board of Licensure for Massage Therapy - Operating								
ABR177A0001 Provides funds to support operating costs for Board travel and legal services.								
Restricted Funds			10,400	10,400		10,400	10,400	
Project Total			10,400	10,400		10,400	10,400	
6 GB Board of Dentistry - Re-instate Vacant Position								
ABR180A0001 Provide funds for 1 full-time vacant position.								
Restricted Funds			39,500	39,500		39,500	39,500	
Project Total			39,500	39,500		39,500	39,500	
7 GB Board of Embalmers and Funeral Directors - Restore Operating								
ABR190A0001 Provides funds to restore operating and support increases related to personnel overlap and travel expenses.								
Restricted Funds			14,000	14,000		14,000	14,000	
Project Total			14,000	14,000		14,000	14,000	
8 GB Board of Architects - Additional Personnel								
ABR200A0001 Provides funds for 4 other vacant positions. These are Compliance Officers that will be used in lieu of personal service contracts.								
Restricted Funds			18,000	18,000		18,000	18,000	
Project Total			18,000	18,000		18,000	18,000	
9 GB Board of Examiners and Registration of Landscape Architects - Additional Support								
ABR205A0002 Provides additional support for personnel and operating.								
Restricted Funds	3,700	3,700	8,500	8,500		8,500	8,500	
Project Total	3,700	3,700	8,500	8,500		8,500	8,500	
10 GB Board of Hairdressers and Cosmetologists - Re-instate Vacant Positions								
ABR225A0001 Provides funds for 2 full-time vacant positions.								
Restricted Funds			74,000	74,000		75,800	75,800	
Project Total			74,000	74,000		75,800	75,800	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Boards and Commissions

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
11 GB Board of Medical Licensure - Personal Service Contract								
ABR245A0001 Provides funds for the Executive Director contract.								
Restricted Funds			59,200	59,200		60,200	60,200	
Project Total			59,200	59,200		60,200	60,200	
12 GB Board of Nursing - Reinstate Vacant Positions								
ABR250A0001 Provides funds for 2 filled full-time positions, 3 vacant full-time positions, and 1 vacant other position.								
Restricted Funds			294,000	294,000		294,000	294,000	
Project Total			294,000	294,000		294,000	294,000	
13 GB Board of Optometric Examiners - Copier								
ABR260A0001 Provides funds for the one-time purchase of a copier for the Board office.								
Restricted Funds			5,000	5,000				
Project Total			5,000	5,000				
14 GB Board of Pharmacy - Legal Services								
ABR270A0002 Provides additional support for legal services.								
Restricted Funds			9,000	9,000		9,000	9,000	
Project Total			9,000	9,000		9,000	9,000	
15 GB Board of Physical Therapy - Re-instate Vacant Position								
ABR275A0001 Provides funds for 1 other vacant position.								
Restricted Funds	5,500	5,500	14,500	14,500		14,500	14,500	
Project Total			14,500	14,500		14,500	14,500	
16 GB Real Estate Appraisers Board - Legal Services								
ABR284A0002 Provides additional support for legal services.								
Restricted Funds			10,000	10,000		10,000	10,000	
Project Total			10,000	10,000		10,000	10,000	
17 GB Board of Professional Engineers and Land Surveyors - Re-instate Vacant Position								
ABR290A0001 Provides funds for 1 full-time vacant position.								
Restricted Funds			38,200	38,200		39,400	39,400	
Project Total			38,200	38,200		39,400	39,400	
18 GB Board of Proprietary Education - Legal Services								
ABR315A0001 Provides funds for legal services.								
Restricted Funds			5,600	5,600		5,600	5,600	
Project Total			5,600	5,600		5,600	5,600	

A - General Government**Operating Budget****Boards and Commissions**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
19 GB Board of Chiropractic Examiners - Legal Services								
ABR170A0002 Provides additional support for legal services.								
Restricted Funds			5,000	5,000		6,000	6,000	
Project Total			5,000	5,000		6,000	6,000	
20 GB Board of Architects - Legal Services								
ABR200A0002 Provides additional support for legal services.								
Restricted Funds			6,400	6,400		6,400	6,400	
Project Total			6,400	6,400		6,400	6,400	
21 GB Board of Examiners and Registration of Landscape Architects - Legal Services and Operating								
ABR205A0003 Provides additional support for legal services.								
Restricted Funds			1,800	1,800		1,800	1,800	
Project Total			1,800	1,800		1,800	1,800	
22 GB Board of Medical Licensure - Legal Services								
ABR245A0002 Provides additional support for legal services.								
Restricted Funds			26,800	26,800		26,800	26,800	
Project Total			26,800	26,800		26,800	26,800	
23 GB Board of Optometric Examiners - Legal Services								
ABR260A0002 Provides additional support for legal services.								
Restricted Funds			1,300	1,300		1,300	1,300	
Project Total			1,300	1,300		1,300	1,300	
24 GB Board of Physical Therapy - Board Moving Location and Legal Services								
ABR275A0002 Provides funds to support moving expenses and cost increases for legal services.								
Restricted Funds	21,600	21,600	28,300	28,300		28,300	28,300	
Project Total	21,600	21,600	28,300	28,300		28,300	28,300	
25 GB Board of Hairdressers and Cosmetologists - Legal Services								
ABR225A0003 Provides additional support for legal services.								
Restricted Funds			3,000	3,000		3,000	3,000	
Project Total			3,000	3,000		3,000	3,000	
26 EXPAN Board of Physical Therapy - Salary Adjustments								
ABR275A0003 Provides funds to support salary adjustments for Board employees.								
Restricted Funds	12,500	12,500	17,600	17,600		17,600	17,600	
Project Total	12,500	12,500	17,600	17,600		17,600	17,600	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Boards and Commissions

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TOTAL ADDITIONAL	43,300	43,300		770,400	770,400		750,100	750,100	

VI. EXPENDITURES BY UNIT

Accountancy

Restricted Funds	700,900	700,900	619,200	619,200	619,200	619,200
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Certification of Alcohol and Drug Counselors

Restricted Funds	67,200	67,200	67,200	67,200	67,200	67,200
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Architects

Restricted Funds	362,800	362,800	375,300	375,300	383,400	383,400
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Certification for Professional Art Therapists

Restricted Funds	11,400	11,400	11,400	11,400	11,400	11,400
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Auctioneers

Restricted Funds	412,700	412,700	442,800	442,800	428,800	428,800
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Barbering

Restricted Funds	289,400	289,400	289,400	289,400	289,400	289,400
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Chiropractic Examiners

Restricted Funds	218,600	218,600	241,400	241,400	247,800	247,800
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Dentistry

Restricted Funds	641,800	641,800	641,800	641,800	641,800	641,800
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Licensure and Certification for Dietitians and Nutritionists

Restricted Funds	77,500	77,500	69,600	69,600	69,600	69,600
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Embalmers and Funeral Directors

Restricted Funds	355,600	355,600	340,000	340,000	340,000	340,000
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Licensure for Professional Engineers and Land Surveyors

Restricted Funds	1,411,400	1,411,400	1,411,400	1,411,400	1,411,400	1,411,400
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Certification of Fee-Based Pastoral Counselors

Restricted Funds	3,500	3,500	3,500	3,500	3,500	3,500
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Registration for Professional Geologists

Restricted Funds	135,000	135,000	135,000	135,000	135,000	135,000
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Hairdressers and Cosmetologists

Restricted Funds	1,074,100	1,074,100	1,117,400	1,117,400	1,143,000	1,143,000
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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****Boards and Commissions**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
Specialists in Hearing Instruments									
Restricted Funds	61,900	61,900		52,700	52,700		52,700	52,700	
Interpreters for the Deaf and Hard of Hearing									
Restricted Funds	31,000	31,000		31,000	31,000		31,000	31,000	
Examiners and Registration of Landscape Architects									
Restricted Funds	60,600	60,600		63,700	63,700		64,300	64,300	
Licensure of Marriage and Family Therapists									
Restricted Funds	83,200	83,200		83,200	83,200		83,200	83,200	
Licensure for Massage Therapy									
Restricted Funds	62,800	62,800		91,500	91,500		91,500	91,500	
Medical Licensure									
Restricted Funds	2,427,400	2,427,400		2,544,800	2,544,800		2,581,100	2,581,100	
Nursing									
Restricted Funds	4,805,600	4,805,600		4,929,000	4,929,000		5,023,100	5,023,100	
Licensure for Nursing Home Administrators									
Restricted Funds	61,000	61,000		47,000	47,000		47,000	47,000	
Licensure for Occupational Therapy									
Restricted Funds	86,000	86,000		86,000	86,000		86,000	86,000	
Ophthalmic Dispensers									
Restricted Funds	62,900	62,900		48,700	48,700		48,700	48,700	
Optometric Examiners									
Restricted Funds	166,400	166,400		173,200	173,200		170,400	170,400	
Pharmacy									
Restricted Funds	1,045,000	1,045,000		1,066,400	1,066,400		1,088,200	1,088,200	
Physical Therapy									
Restricted Funds	343,900	343,900		328,600	328,600		332,700	332,700	
Podiatry									
Restricted Funds	21,700	21,700		22,900	22,900		23,200	23,200	
Private Investigators									
Restricted Funds	64,200	64,200		80,000	80,000		80,000	80,000	
Licensed Professional Counselors									
Restricted Funds	91,200	91,200		126,800	126,800		126,800	126,800	

A - General Government**Operating Budget****Boards and Commissions**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
Proprietary Education									
Restricted Funds	164,300	164,300		172,800	172,800		172,800	172,800	
Examiners of Psychology									
Restricted Funds	191,100	191,100		191,100	191,100		191,100	191,100	
Real Estate Appraisers									
Restricted Funds	604,200	604,200		616,400	616,400		622,700	622,700	
Real Estate Commission									
Restricted Funds	2,666,600	2,666,600		2,541,600	2,541,600		2,574,900	2,574,900	
Respiratory Care									
Restricted Funds	181,100	181,100		181,100	181,100		181,100	181,100	
Social Work									
Restricted Funds	145,300	145,300		145,300	145,300		145,300	145,300	
Speech-Language Pathology and Audiology									
Restricted Funds	107,000	107,000		112,200	112,200		112,200	112,200	
Veterinary Examiners									
Restricted Funds	237,800	237,800		237,800	237,800		237,800	237,800	
TOTAL	19,534,100	19,534,100		19,739,200	19,739,200		19,959,300	19,959,300	

TRANSFERS TO THE GENERAL FUND**Accountancy**

Agency Revenue Fund (KRS 325.250)	440,000	440,000		57,800	57,800	
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Architects

Agency Revenue Fund	100,000	100,000		54,200	54,200	
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Auctioneers

Agency Revenue Fund (KRS 330.050(6))	35,000	35,000				
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Recovery Fund (KRS 330.192)				312,200	312,200	
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Certification for Professional Art Therapists

A - General Government**Operating Budget****Boards and Commissions**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TRANSFERS TO THE GENERAL FUND									
Agency Revenue Fund (KRS 309.138)					13,600	13,600			
Certification of Fee-Based Pastoral Counselors									
Agency Revenue Fund (KRS 335.650)					1,900	1,900			
Chiropractic Examiners									
Agency Revenue Fund					95,400	95,400			
Dentistry									
Agency Revenue Fund (KRS 313.350)	128,000	128,000			435,000	435,000			
Embalmers and Funeral Directors									
Agency Revenue Fund (KRS 316.125 and KRS 316.210)					113,300	113,300			
Examiners and Registration of Landscape Architects									
Agency Revenue Fund					53,000	53,000			
Examiners of Psychology									
Agency Revenue Fund (KRS 319.131)	90,000	90,000		45,000	101,400	56,400	45,000	45,000	
Hairdressers and Cosmetologists									
Agency Revenue Fund (KRS 317A.080)	280,000	280,000		50,000	138,000	88,000	50,000	50,000	
Interpreters for the Deaf and Hard of Hearing									
Agency Revenue Fund (KRS 309.306)					54,700	54,700			
Licensed Professional Counselors									
Agency Revenue Fund (KRS 335.520)	35,000	35,000		75,000	198,300	123,300	75,000	75,000	
Licensure and Certification for Dietitians and Nutritionists									
Agency Revenue Fund (KRS 310.041(7))	1,000	1,000			44,000	44,000			
Licensure for Massage Therapy									

A - General Government

Operating Budget

Boards and Commissions

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TRANSFERS TO THE GENERAL FUND									
Agency Revenue Fund (KRS 309.356)	14,000	14,000			146,700	146,700			
Licensure for Occupational Therapy									
Agency Revenue Fund (KRS 319A.060)	3,500	3,500		80,000	98,900	18,900	80,000	80,000	
Licensure for Professional Engineers and Land Surveyors									
Agency Revenue Fund (KRS 322.420)	470,000	470,000			320,400	320,400			
Licensure of Marriage and Family Therapists									
Agency Revenue Fund (KRS 335.342)					12,200	12,200			
Medical Licensure									
Agency Revenue Fund (KRS 311.610)	670,000	670,000		150,000	249,600	99,600			
Nursing									
Agency Revenue Fund (KRS 314.161)	1,700,000	1,700,000			343,700	343,700			
Optometric Examiners									
Agency Revenue Fund (KRS 320.360)	15,000	15,000			56,900	56,900			
Pharmacy									
Agency Revenue Fund (KRS 315.195)	190,000	190,000		300,000	300,000		300,000	300,000	
Physical Therapy									
Agency Revenue Fund (KRS 327.080)					281,100	281,100			
Podiatry									
Agency Revenue Fund (KRS 311.450(3))				25,000	25,000		25,000	25,000	
Private Investigators									
Agency Revenue Fund (KRS 329A.030)					35,800	35,800			

A - General Government**Operating Budget****Boards and Commissions**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TRANSFERS TO THE GENERAL FUND									
Proprietary Education									
Agency Revenue Fund (KRS 165A.380)				30,000	142,800	112,800	30,000	30,000	
Real Estate Appraisers									
Agency Revenue Fund (KRS 324A.065)					47,100	47,100			
Real Estate Commission									
Agency Revenue Fund (KRS 324.410)	1,180,000	1,180,000							
Registration for Professional Geologists									
Agency Revenue Fund (KRS 322A.050)	50,000	50,000			126,000	126,000			
Respiratory Care									
Agency Revenue Fund (KRS 314A.215(3))	24,000	24,000			14,300	14,300			
Social Work									
Agency Revenue Fund (KRS 335.140)	83,000	83,000		80,000	101,600	21,600	80,000	80,000	
Speech-Language Pathology and Audiology									
Agency Revenue Fund (KRS 334A.120)	30,000	30,000		75,000	85,900	10,900	75,000	75,000	
Veterinary Examiners									
Agency Revenue Fund (KRS 321.320)	11,500	11,500			139,900	139,900			
TOTAL	5,550,000	5,550,000		910,000	4,200,700	3,290,700	760,000	760,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:19 am

OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a transfer from the Boards and Commissions, Restricted Funds, in fiscal year 2007-2008 for the following amounts:

<u>Occupational Boards and Commissions</u>	<u>FY 2007-2008</u>	<u>FY 2008-2009</u>	<u>FY 2009-2010</u>
Accountancy	440,000		
Architects	280,000	50,000	50,000
Auctioneers	35,000		
Dentistry	128,000		
Licensure for Cert. Dieticians and Nutritionists	1,000		
Licensure for Professional Engineers and Land Surveyors	470,000		
Registration for Professional Geologists	50,000		
Hairdressers and Cosmetologists	280,000	50,000	50,000
Licensure for Massage Therapy	14,000		
Medical Licensure	670,000		
Nursing	1,700,000		
Licensure for Occupational Therapy	3,500	80,000	80,000
Optometric Examiners	15,000		
Pharmacy	190,000	300,000	300,000
Podiatry		25,000	25,000

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:19 am

OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

Licensure for Professional Counselors	35,000	75,000	75,000
Proprietary Education		30,000	30,000
Examiners of Psychology	90,000	45,000	45,000
Real Estate Commission	1,180,000		
Respiratory Care	24,000		
Social Work	83,000	80,000	80,000
Speech-Language Pathology and Audiology	30,000	75,000	75,000
Veterinary Examiners	11,500		

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House amends the State/Executive Branch Budget Bill, Part V, Funds Transfer, to include transfers from the Boards and Commissions, Restricted Funds, in fiscal year 2008-2009 for the following amounts:

Occupational Boards and Commissions	FY 2008-2009
Accountancy	57,800
Architects	54,200
Certification for Professional Art Therapists	13,600
Auctioneers	312,200
Chiropractic Examiners	95,400
Dentistry	435,000
Licensure for Cert. for Dieticians and Nutritionists	44,000
Embalmers and Funeral Directors	113,300
Licensure for Professional Engineers and Land Surveyors	320,400
Certification of Fee-Based Pastoral Counselors	1,900
Registration for Professional Geologists	126,000
Hairdressers and Cosmetologists	88,000
Interpreters for the Deaf and Hard of Hearing	54,700
Examiners & Registration of Landscape Architects	53,000
Licensure of Marriage and Family Therapists	12,200
Licensure for Massage Therapy	146,700

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT

3/13/08 11:19 am

OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

Medical Licensure	99,600
Nursing	343,700
Licensure for Occupational Therapy	18,900
Optometric Examiners	56,900
Physical Therapy	281,100
Private Investigators	35,800
Licensed Professional Counselors	123,300
Proprietary Education	112,800
Examiners of Psychology	56,400
Real Estate Appraisers	47,100
Respiratory Care	14,300
Social Work	21,600
Speech-Language Pathology and Audiology	10,900
Veterinary Examiners	139,900

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Capital Budget****Boards and Commissions**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference

II. CAPITAL PROJECTS

1 **Jefferson County - Lease**

PRJ250A5000

General Fund

Project Total

TOTAL CAPITAL

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

Kentucky River Authority

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	342,700	342,700		304,700	304,700		1,078,800	1,078,800	
Restricted Funds	2,163,500	2,163,500		4,442,500	4,442,500		4,065,100	4,065,100	
Regular Total Funds	2,506,200	2,506,200		4,747,200	4,747,200		5,143,900	5,143,900	
Use of Continuing									
TOTAL FUNDS	2,506,200	2,506,200		4,747,200	4,747,200		5,143,900	5,143,900	
II. EXPENDITURE CATEGORY									
Personnel Costs	589,800	589,800		559,000	559,000		562,000	562,000	
Operating Expenses	164,600	164,600		155,600	155,600		155,800	155,800	
Grants, Loans, Benefits	344,800	344,800		315,600	315,600		310,100	310,100	
Debt Service	525,000	525,000		3,092,000	3,092,000		3,866,000	3,866,000	
Capital Outlay	32,000	32,000							
Construction	850,000	850,000		625,000	625,000		250,000	250,000	
TOTAL EXPENDITURES	2,506,200	2,506,200		4,747,200	4,747,200		5,143,900	5,143,900	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	342,700	342,700		304,700	304,700		304,800	304,800	
Restricted Funds	2,163,500	2,163,500		3,817,500	3,817,500		3,815,100	3,815,100	
Regular Total Funds	2,506,200	2,506,200		4,122,200	4,122,200		4,119,900	4,119,900	
Use of Continuing									
TOTAL BASE LEVEL	2,506,200	2,506,200		4,122,200	4,122,200		4,119,900	4,119,900	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund							774,000	774,000	
Restricted Funds				625,000	625,000		250,000	250,000	
TOTAL ADDITIONAL				625,000	625,000		1,024,000	1,024,000	
V. ADDITIONAL BUDGET ITEMS									
1 GB	Restore Bond Funds - Dam 9								
ABR084J0004	Provides the previously vetoed General Fund debt service for \$17,500,000 in Bonds for the Kentucky River Locks and Dams Maintenance and Renovations Pool.								
General Fund							774,000	774,000	
Project Total							774,000	774,000	

HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government**Operating Budget****Kentucky River Authority**

Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
2 GB	Additional Funding for Dam 10 Design and Interim Stabilization							
ABR084J0003	Provides interim stabilization of the lock and installation of a transfer valve, the preliminary design "Decision Document", and final design of Dam 10.							
Restricted Funds			625,000	625,000		250,000	250,000	
Project Total			625,000	625,000		250,000	250,000	
TOTAL ADDITIONAL			625,000	625,000		1,024,000	1,024,000	

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:19 am

KENTUCKY RIVER AUTHORITY

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Water Withdrawal Fees: The water withdrawal fees imposed by the Kentucky River Authority shall not be subject to state and local taxes. Notwithstanding KRS 151.710(10), Tier I water withdrawal fees shall be used to support the operations of the Authority and for contractual services for water supply and quality studies."

"Debt Service: Included in the above General Fund appropriation is \$774,000 in fiscal year 2009-2010 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act."

HOUSE REPORT

The House concurs with the Branch.

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Capital Budget

Kentucky River Authority

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				625,000	625,000		250,000	250,000	
Bond Funds				17,500,000	17,500,000				
TOTAL CAPITAL				18,125,000	18,125,000		250,000	250,000	
II. CAPITAL PROJECTS									
1	Kentucky River Locks and Dams Maintenance and Renovation Pool - Additional								
PRJ084J5001									
Bond Funds				17,500,000	17,500,000				
Project Total				17,500,000	17,500,000				
2	Dam 10 Design and Interim Stabilization - Additional								
PRJ084J1711									
Restricted Funds				625,000	625,000		250,000	250,000	
Project Total				625,000	625,000		250,000	250,000	
TOTAL CAPITAL				18,125,000	18,125,000		250,000	250,000	

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HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY

A - General Government

Operating Budget

School Facilities Construction Commission

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	109,346,300	109,346,300		112,154,400	109,623,000	(2,531,400)	119,441,200	111,003,200	(8,438,000)
Regular Total Funds	109,346,300	109,346,300		112,154,400	109,623,000	(2,531,400)	119,441,200	111,003,200	(8,438,000)
Use of Continuing									
TOTAL FUNDS	109,346,300	109,346,300		112,154,400	109,623,000	(2,531,400)	119,441,200	111,003,200	(8,438,000)
II. EXPENDITURE CATEGORY									
Personnel Costs	242,500	242,500		245,000	245,000		253,200	253,200	
Operating Expenses	24,000	24,000		24,000	24,000		24,000	24,000	
Grants, Loans, Benefits	5,000,000	5,000,000							
Debt Service	104,079,800	104,079,800		111,885,400	109,354,000	(2,531,400)	119,164,000	110,726,000	(8,438,000)
TOTAL EXPENDITURES	109,346,300	109,346,300		112,154,400	109,623,000	(2,531,400)	119,441,200	111,003,200	(8,438,000)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	109,346,300	109,346,300		109,623,200	107,092,000	(2,531,200)	111,003,700	102,566,200	(8,437,500)
Regular Total Funds	109,346,300	109,346,300		109,623,200	107,092,000	(2,531,200)	111,003,700	102,566,200	(8,437,500)
Use of Continuing									
TOTAL BASE LEVEL	109,346,300	109,346,300		109,623,200	107,092,000	(2,531,200)	111,003,700	102,566,200	(8,437,500)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				2,531,200	2,531,000	(200)	8,437,500	8,437,000	(500)
TOTAL ADDITIONAL				2,531,200	2,531,000	(200)	8,437,500	8,437,000	(500)
V. ADDITIONAL BUDGET ITEMS									
1 GB	Regular Offers of Assistance - Debt Service								
ABR345A0003	Provides funds for debt service on \$100 M in bonds for the 2006-2008 Offers of Assistance to school districts.								
General Fund				2,531,200	2,531,000	(200)	8,437,500	8,437,000	(500)
Project Total				2,531,200	2,531,000	(200)	8,437,500	8,437,000	(500)
TOTAL ADDITIONAL				2,531,200	2,531,000	(200)	8,437,500	8,437,000	(500)

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:19 am

SCHOOL FACILITIES CONSTRUCTION COMMISSION

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Debt Service: Included in the above General Fund appropriation is \$2,531,200 in fiscal year 2008-2009 and \$8,437,500 in fiscal year 2009-2010 for new debt service to support bonds as set forth in Part II, Capital Projects Budget, of this Act."

"Growth Nickel Levy: The Facilities Support Program of Kentucky is fully funded in the 2008-2010 fiscal biennium. Notwithstanding KRS 157.621(3), local school districts may exercise authority expressed in KRS 157.621(1) and (2)."

"School Facility Revenue: A local board of education may commit an equivalent tax rate not to exceed five cents in addition to the taxes levied in KRS 157.440(1)(b). Receipts from the levy shall be committed to debt service, new facilities, or major renovations of existing school facilities. The tax rate levied by the local board of education under this provision shall be made no later than October 1 of each odd-numbered year and shall not be equalized with state funding. The levy shall be subject to recall."

"Urgent Need School Trust Fund: The Urgent Need School Trust Fund is established in the Finance and Administration Cabinet for the purpose of assisting school districts that have urgent and critical construction needs. The Urgent Need School Trust Fund shall be administered by the School Facilities Construction Commission. The fund may receive state appropriations, contributions, and grants from any source which shall be credited to the trust fund and invested until needed. All interest earned on the fund shall be retained in the trust fund. Notwithstanding KRS 45.229, moneys in the trust fund shall not lapse but shall carry forward at the end of each fiscal year."

**HOUSE BUDGET REPORT - 2008 REGULAR SESSION OF THE GENERAL ASSEMBLY
BUDGET MODIFICATION REPORT**

3/13/08 11:19 am

SCHOOL FACILITIES CONSTRUCTION COMMISSION

"Additional Offers of Assistance: Notwithstanding KRS 157.611 to 157.640, 157.650, 157.655, 157.660, or 157.665, the School Facilities Construction Commission is authorized to make an additional \$100,000,000 in offers of assistance during the 2008-2010 biennium in anticipation of debt service availability during the 2010-2012 biennium. No bonded indebtedness based on the above amount is to be incurred during the 2008-2010 biennium."

"Use of Local District Capital Outlay Funds: Notwithstanding KRS 157.420(4) and (6), a local district may submit a request to the Commissioner of Education to use capital outlay funds for maintenance expenditures or for the purchase of property insurance in fiscal year 2008-2009 and fiscal year 2009-2010 without forfeiture of the district's participation in the School Facilities Construction Commission Program."

HOUSE REPORT

The House concurs with the Branch with the following changes:

The House reduces General Fund support totaling \$2,531,400 in fiscal year 2008-2009 and \$8,438,000 in fiscal year 2009-2010 to correct debt service amounts.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to adjust debt service amounts due to rounding, in the language provision relating to **"Debt Service"**. The amounts were reduced from \$2,531,200 to \$2,531,000 in fiscal year 2008-2009 and from \$8,437,500 to \$8,437,000 in fiscal year 2009-2010.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, relating to the provision **"Use of Local District Capital Outlay Funds"** to add a condition to the requirements to qualify to use Capital Outlay funds for property insurance and maintenance.

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

"2006-2008 Offers of Assistance and Additional Offers of Assistance: Notwithstanding KRS 157.420(4), 157.620, and 157.622, the \$5,000,000 grant from the 2006-2008 appropriation in 2006 Ky. Acts ch. 252, Part II, to the School Facilities Construction Commission awarded to the Graves County School District to address the facility needs at Fancy Farm Elementary shall be used to construct a new elementary school in the community of Fancy Farm with a student capacity no greater than 300 students, consistent with the Graves County District Facility Plan in effect at the time the grant was awarded, notwithstanding any actions of the Kentucky

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SCHOOL FACILITIES CONSTRUCTION COMMISSION

Board of Education, the Graves County Board of Education, or the School Facilities Construction Commission to the contrary. The original award of \$5,000,000 shall not be prorated and the full amount of the award shall be expended on this project. The time limit established by the School Facilities Construction Commission for the utilization by a school district receiving a grant of funds based on the procedures developed by the Urgent Need School Trust Fund Advisory Committee, established in 2006 Ky. Acts ch. 252, Part I, A., 29., (4), shall be extended by the length of time the recipient school district was prevented or delayed from utilizing the grant during the pendency of a legal action which would affect the use of the grant."

A - General Government**Capital Budget****School Facilities Construction Commission**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Bond Funds				100,000,000	100,000,000				
TOTAL CAPITAL				100,000,000	100,000,000				
II. CAPITAL PROJECTS									
1	Offers of Assistance - 2008-2010								
PRJ345A5003									
Bond Funds				100,000,000	100,000,000				
Project Total				100,000,000	100,000,000				
2	Urgent Needs School Trust Fund Reauthorization (\$11,800,000 Bond Funds)								
PRJ345A5005									
Bond Funds									
Project Total									
3	School Facilities Construction Commission Reauthorization (\$130,800,000 Bond Funds)								
PRJ345A5004									
Bond Funds									
Project Total									
4	Category 5 School Buildings Reauthorization (\$12,000,000 Bond Funds)								
PRJ345A5006									
Bond Funds									
Project Total									
TOTAL CAPITAL				100,000,000	100,000,000				

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A - General Government**Operating Budget****Teachers' Retirement System**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	183,323,100	183,323,100		177,360,200	177,360,200		201,252,600	201,252,600	
Restricted Funds	9,543,500	9,543,500		10,102,600	10,102,600		10,851,000	10,851,000	
Regular Total Funds	192,866,600	192,866,600		187,462,800	187,462,800		212,103,600	212,103,600	
Use of Continuing									
TOTAL FUNDS	192,866,600	192,866,600		187,462,800	187,462,800		212,103,600	212,103,600	
II. EXPENDITURE CATEGORY									
Personnel Costs	7,912,800	7,912,800		8,321,000	8,321,000		8,758,800	8,758,800	
Operating Expenses	1,494,700	1,494,700		1,638,700	1,638,700		1,942,200	1,942,200	
Grants, Loans, Benefits	183,323,100	183,323,100		177,360,200	177,360,200		201,252,600	201,252,600	
Capital Outlay	136,000	136,000		142,900	142,900		150,000	150,000	
TOTAL EXPENDITURES	192,866,600	192,866,600		187,462,800	187,462,800		212,103,600	212,103,600	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	183,323,100	183,323,100		177,360,200	177,360,200		181,818,100	181,818,100	
Restricted Funds	9,543,500	9,543,500		10,102,600	10,102,600		10,851,000	10,851,000	
Regular Total Funds	192,866,600	192,866,600		187,462,800	187,462,800		192,669,100	192,669,100	
Use of Continuing									
TOTAL BASE LEVEL	192,866,600	192,866,600		187,462,800	187,462,800		192,669,100	192,669,100	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund							19,434,500	19,434,500	
TOTAL ADDITIONAL							19,434,500	19,434,500	
V. ADDITIONAL BUDGET ITEMS									
1	CONT	Amortization Payment - Medical Insurance Fund							
ABR560R0008		Provides funds for an amortization payment (based on a ten year repayment at the system's actuarial rate of return) to support a transfer of \$125 M from the State Accumulation Fund to the Medical Insurance Fund.							
General Fund							18,210,700	18,210,700	
Project Total							18,210,700	18,210,700	
2	CONT	Amortization Payment - Medical Insurance Fund (Dependent Subsidy)							
ABR560R0009		Provides funds for an amortization payment (based on a ten year repayment at the system's actuarial rate of return) to support a transfer of \$8.4 M from the State Accumulation Fund to the Medical Insurance Fund for the Dependent Subsidy.							
General Fund							1,223,800	1,223,800	
Project Total							1,223,800	1,223,800	

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A - General Government**Operating Budget****Teachers' Retirement System**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
TOTAL ADDITIONAL							19,434,500	19,434,500	

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TEACHERS' RETIREMENT SYSTEM

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part IV, State Salary/Compensation and Employment Policy, addresses salary increments, retirement, health insurance, and personnel complement.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"State Retirement Obligations: Notwithstanding KRS 161.550, General Fund moneys are appropriated to comply with the obligations of the state under the Teachers' Retirement System statutes as provided in KRS 161.220 to 161.716."

"Administrative Costs: In accordance with KRS 161.420, in each fiscal year an amount not greater than four percent of the receipts of the state accumulation fund shall be set aside into the expense fund or expended for the administration of the retirement system. No General Fund moneys are provided in fiscal year 2008-2009 or fiscal year 2009-2010 for the cost of administration."

"Amortization of Sick Leave: Included in the above General Fund appropriation is \$5,684,000 in fiscal year 2008-2009 and \$11,965,300 in fiscal year 2009-2010 to provide the cost of amortizing the requirements of KRS 161.155, relating to sick leave, for members retiring during the 2008-2010 fiscal biennium."

"State Medical Insurance Fund Stabilization Contribution: Notwithstanding KRS 161.420 and 161.550, a portion of the state employer contribution in a sufficient amount shall be allocated to the Teachers' Retirement System Medical Insurance Fund instead of the State Accumulation Fund. Also included in the above General Fund appropriation is \$18,210,700 in fiscal year 2009-2010 to amortize the cost of the State Medical Insurance Fund Stabilization Contribution with the remainder to be amortized under the schedule set forth in KRS 161.553."

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TEACHERS' RETIREMENT SYSTEM

"Dependent Subsidy for Retirees under age 65: Notwithstanding KRS 161.675(4)(a), from July 1, 2008, through June 30, 2010, for all retirees under the age of 65 who participate in the Kentucky Group Health Insurance Program through the Kentucky Teachers' Retirement System, the Kentucky Teachers' Retirement System shall pay the same dependent subsidy that Executive Branch agencies pay for their active employees who have similar coverage. The dependent subsidy is not subject to KRS 161.714."

"Highly Skilled Educators' Retirement Benefits: Salary supplements received by persons selected as highly skilled educators on or after July 1, 2000, shall not be included in the total salary compensation for any retirement benefits to which the employee may be entitled."

HOUSE REPORT

The House concurs with the Branch with the following change:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Supplemental Health Insurance Funding: Notwithstanding KRS 161.675(4)(a) and (b), included in the above General Fund appropriation is \$50,000 in each fiscal year to enable the retirement system to provide a subsidy from July 1, 2008, through June 30, 2010, for those retired state members over age 65 that insure their spouses under age 65 through the state health insurance plan. The amount of the subsidy for those over age 65 shall not exceed the amount of the subsidy for members under age 65 that choose couple, family, or parent plus coverage. The spousal subsidy is not subject to KRS 161.714."

A - General Government**Operating Budget****Judgments**

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	600,000	600,000							
Regular Total Funds	600,000	600,000							
Use of Continuing	35,100	35,100							
TOTAL FUNDS	635,100	635,100							
II. EXPENDITURE CATEGORY									
Operating Expenses	635,100	635,100							
TOTAL EXPENDITURES	635,100	635,100							
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	600,000	600,000							
Regular Total Funds	600,000	600,000							
Use of Continuing	35,100	35,100							
TOTAL BASE LEVEL	635,100	635,100							

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JUDGMENTS

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon mandatory General Fund lapses of \$174,143,584 in fiscal year 2007-2008, \$2,500,000 in fiscal year 2008-2009, and \$2,250,000 in fiscal year 2009-2010.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Payment of Judgments and Carry Forward of General Fund Appropriation Balance: The above appropriation is for the payment of judgments as may be rendered against the Commonwealth by courts and orders of the State Personnel Board and, where applicable, shall be subject to the provisions of KRS Chapter 45, and for the payment of medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.892 and 164.941. Notwithstanding KRS 45.229, any remaining appropriation in the Judgments account at the end of fiscal year 2007-2008 or fiscal year 2008-2009 shall not lapse but shall be carried forward."

"Funds required to pay the costs of items included within the Judgments are appropriated, and any required expenditure over the above amounts is to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act."

HOUSE REPORT

The House concurs with the Branch.

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A - General Government

Operating Budget

Appropriations Not Otherwise Classified (ANOC)

	Fiscal Year 2007-2008			Fiscal Year 2008-2009			Fiscal Year 2009-2010		
	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference	Branch Budget	House Budget	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	12,267,500	12,267,500		12,267,500	6,267,500	(6,000,000)	12,267,500	6,267,500	(6,000,000)
Regular Total Funds	12,267,500	12,267,500		12,267,500	6,267,500	(6,000,000)	12,267,500	6,267,500	(6,000,000)
Use of Continuing									
TOTAL FUNDS	12,267,500	12,267,500		12,267,500	6,267,500	(6,000,000)	12,267,500	6,267,500	(6,000,000)
II. EXPENDITURE CATEGORY									
Personnel Costs	285,000	285,000		285,000	285,000		285,000	285,000	
Operating Expenses	11,980,000	11,980,000		11,980,000	5,980,000	(6,000,000)	11,980,000	5,980,000	(6,000,000)
Grants, Loans, Benefits	2,500	2,500		2,500	2,500		2,500	2,500	
TOTAL EXPENDITURES	12,267,500	12,267,500		12,267,500	6,267,500	(6,000,000)	12,267,500	6,267,500	(6,000,000)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	12,267,500	12,267,500		12,267,500	6,267,500	(6,000,000)	12,267,500	6,267,500	(6,000,000)
Regular Total Funds	12,267,500	12,267,500		12,267,500	6,267,500	(6,000,000)	12,267,500	6,267,500	(6,000,000)
Use of Continuing									
TOTAL BASE LEVEL	12,267,500	12,267,500		12,267,500	6,267,500	(6,000,000)	12,267,500	6,267,500	(6,000,000)

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APPROPRIATIONS NOT OTHERWISE CLASSIFIED

BRANCH BUDGET

The State/Executive Branch Budget Bill continues services and statutory programs in the 2008-2010 fiscal biennium based upon reduced fiscal year 2007-2008 funding levels as revised by the General Fund Budget Reduction Order 08-01. This Order reduced General Fund appropriations by \$65,262,416 and Restricted Funds appropriations by \$8,873,600 in fiscal year 2007-2008. The Order also increased resources to the General Fund through additional fund transfers of \$42,324,600 in fiscal year 2007-2008.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Funding Sources for Appropriations Not Otherwise Classified: Funds required to pay the costs of items included within the Appropriations Not Otherwise Classified are appropriated. Any required expenditure over the above amounts is to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any available balance in either the Judgments budget unit appropriation or the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act."

"The above appropriation is for the payment of Attorney General Expense, Board of Claims Award, Guardian Ad Litem, Prior Year Claims, Unredeemed Checks Refunded, Involuntary Commitments - ICF/MR, Frankfort in Lieu of Taxes, Frankfort Cemetery, Police Officer, Firefighter, and National Guard and Reserve Survivor Benefits, Medical Malpractice Liability Insurance Reimbursement, and Blanket Employee Bonds."

"Repayment of Awards or Judgments: Funds are appropriated from the General Fund for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by appropriations out of the General Fund. However, awards under \$5,000 shall be paid from funds available for the operations of the agency."

"Guardian Ad Litem Fees: Included in the above appropriation is funding for fees to be paid to each guardian ad litem appointed by the court pursuant to KRS 311.732. The fee shall be fixed by the court and shall not exceed \$500."

"Reissuance of Uncashed Checks: Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with KRS 41.370."

"Police Officer, Firefighter, and Active Duty National Guard and Reserve Survivor Benefits: Funds are appropriated for payment of benefits for state and local police officers and firefighters in accordance with KRS 61.315 and 95A.070."

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APPROPRIATIONS NOT OTHERWISE CLASSIFIED
HOUSE REPORT

The House concurs with the Branch with the following change:

The House reduces General Fund support totaling \$6,000,000 in each fiscal year.